

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF
ALLEGHENY HEALTH, EDUCATION
AND RESEARCH FOUNDATION,

Plaintiff,

Civil Action No. 00-684

V.

Judge David Stewart Cercone

PRICEWATERHOUSECOOPERS, LLP,

Defendant.

**APPENDIX TO THE COMMITTEE’S RESPONSE TO PwC’S STATEMENT OF
UNDISPUTED AND MATERIAL FACTS UNDER LOCAL RULE 56.1(C)(1)**

VOLUME 8

James M. Jones (PA #81295)
 Laura E. Ellsworth (PA #39555)
 Laura A. Meaden (PA #52002)
 JONES DAY
 500 Grant Street, 31st Floor
 Pittsburgh, PA 15219

Richard B. Whitney
JONES DAY
North Point
901 Lakeside Avenue
Cleveland, OH 44114

Attorneys for Plaintiff The Official Committee
of Unsecured Creditors of AHERF

July 11, 2005

EXHIBIT 4004



Coopers & Lybrand LLP.

a professional services firm

Report of Independent Accountants

To the Board of Trustees of
Allegheny Health, Education and
Research Foundation:

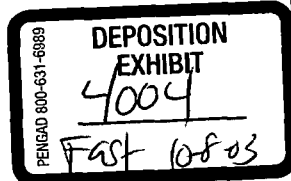
We have audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of Allegheny Health, Education and Research Foundation, hereinafter referred to as AHERF, as of June 30, 1997, and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended, and have issued our report thereon dated September 4, 1997, except for the second paragraph of Note 16 which is dated September 12, 1997 and Note 17 which is dated January 8, 1998. We have also issued our report on the Consolidating and Combining Financial Information of AHERF dated September 4, 1997, except for the second paragraph of Note 16 of the Consolidated Financial Statements which is dated September 12, 1997 and Note 17 of the Consolidated Financial Statements which is dated January 8, 1998. AHERF includes the accounts of Allegheny General Hospital, hereinafter referred to as the Obligated Group.

In connection with our audit of the consolidated financial statements of AHERF, nothing came to our attention that caused us to believe that the Obligated Group was not in compliance with the covenants (insofar as they relate to accounting matters or auditing matters) contained in Section 7 of the Reimbursement and Security Agreement (Agreement) dated April 1, 1995 between the Obligated Group and Morgan Guaranty Trust Company of New York. It should be noted, however, that our audit was not directed primarily toward obtaining knowledge of such noncompliance.

The Obligated Group's financial covenants for "Capitalization," "Liquidity" and "Debt Service Coverage Ratio" for the year ended June 30, 1997 was 55.8%, 3.77 to 1 and 2.27 to 1, respectively. Pursuant to the provisions of the Agreement, the aforementioned ratios were calculated as defined in the Agreement. Also, the Obligated Group has not entered into any liens except as permitted by the Agreement.

This report is intended solely for the information and use of the Board of Trustees of AHERF, management of the Obligated Group and Morgan Guaranty Trust Company of New York and should not be used for any other purpose.

Pittsburgh, Pennsylvania
January 8, 1998

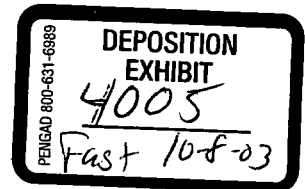
*Coopers & Lybrand LLP*

CL 043885

EXHIBIT 4005

KDM
9/4/97
9/2/97
KDM

AGH
Debt Covenant Calculations
6/30/97



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Overview of Debt Compliance Requirements
AHERF and Subsidiaries
Fiscal Year 1997

SEP-05-97

The following notes the independent CPA "debt compliance" reports which are required by the various bond documents: [This is in addition to the opinions which are a part of the annual audit program.]

I. Allegheny General Hospital Obligated Group

- Have* A. Master Trust Indenture (dtd Apr-7-93)
 Requires CPA report "stating the Historical Long-Term Debt Service Coverage Ratio" [section 5.11(b)]. In past, this CPA report also states general compliance with Article Five [Covenants].
- B. Morgan Guaranty Reimbursement and Security Agreement (dtd Apr-1-95)
 Requires CPA report confirming the 3 financial covenant calculations - capitalization, liquidity, and debt service coverage ratio [section 7.a.(v)]. In past, this CPA report also states compliance with Section 7 [Covenants].

II. Delaware Valley Obligated Group

- Have* A. Master Trust Indenture & First Supplemental MTI (dtd May-15-96)
 General debt compliance letter, stating compliance with Article Six of MTI and Sections 3.6 and 3.21 of First Supplemental MTI.

III. AUMC

- in lieu,
Agreed upon
Procedures*
- A. Forbes Master Trust Indenture (dtd Jan-01-85)
 Requires CPA report "stating whether Obligated Issuer is in default in the performance of any covenant contained in the MTI" [section 7.10(b)]. In past, this CPA report also states general compliance with Article Seven [Additional Covenants].
- B. Allegheny Valley Hospital Sublease (dtd Nov-01-82)
 1. Requires CPA report "stating whether or not Hospital has complied with its rate covenant (120%) set forth in Section 6 hereof" [section 9: Records and Audits].
- in process*
2. Requires CPA report including the calculation of the "Depreciation Reserve Account" schedule [section 22: Depreciation Reserve Account].
 Will conduct test as of Feb-28-97 [pre-merger date]
- C. Allegheny Valley Hospital Trust Indenture (dtd Nov-01-82)
 "A statement is to be made by the Independent Public Accountant whether, in their opinion, the provisions of the Sublease have been complied with in connection with the payment of Rentals due under the Sublease" [section 8.09].
- NEW*

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IV. Allegheny Hospitals, Centennial

Agreed
Upon
Proc's

- A. Graduate Hospital/Mt. Sinai Hospital/GHS-Osteopathic Master Trust Indenture (dtd Dec-01-91)
Requires CPA report "stating the Historical Debt Service Coverage Ratio" [section 6.6(b)].
CPA report should also note compliance with Article Six: General Covenants of Each Obligated Issuer.

NEW

- B. Graduate Hospital/Mt. Sinai Hospital/GHS-Osteopathic Master Financing Agreement among GE Capital and The Hospitals and Higher Educational Facilities Authority of Philadelphia (dtd Dec-07-95)
Requires a "report signed by such accountants stating that in making the investigations necessary for said opinion they obtained no knowledge, except as specifically stated, of any Default or Event of Default hereunder" [section 6.05(a)(i)]

V. AHERF

Coming

- A. Credit Agreement among AHERF and Mellon Bank (dated Jun-27-97)
Requires a "Compliance Certificate, in substantially the form of Exhibit C-2, duly completed and signed by AHERF's independent certified public accountant" [section 5.01(c)]
- see attachment

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Sep-05-97

CL 020814

INTERNAL MEMORANDUM

DATE: May 12, 1997

TO: David W. McConnell
Executive Vice President and
Chief Financial Officer, AHERF

Joseph D. Dionisio
Senior Vice Pres. & Chief Financial Officer, AGH
Senior Vice Pres. & Chief Information Officer, AHERF

Charles P. Morrison
Senior V.P. and Chief Financial Officer, Delaware Valley

FROM: Kelly L. Mertz *Kelly*
Senior Treasury Analyst

RE: SUMMARY OF DEBT COMPLIANCE - CALENDAR YEAR 1996

Enclosed you will find the Calendar Year 1996 Report of AHERF debt compliance activity for the following entities within the AHERF system:

- I. Allegheny General Hospital Obligated Group
- II. The Medical College of Pennsylvania Hospital / The Medical College of Pennsylvania and Hahnemann University
- III. Allegheny United Hospitals / St. Christopher's Hospital for Children Obligated Group, including Horizon Medical Corporation
- IV. Hahnemann University Hospital Obligated Group
- V. Delaware Valley Obligated Group
- VI. Allegheny Health, Education and Research Foundation

From a debt perspective, the most noteworthy event that occurred during calendar year 1996 was the Delaware Valley bond refinancing transaction. On June 19, 1996, the Philadelphia-based AHERF credit groups (including II, III, and IV above) refinanced their outstanding debt and formulated the Delaware Valley Obligated Group (V above). This transaction greatly simplified the AHERF debt structure. Three sets of bond closing transcripts with differing covenants/limitations/event of default provisions were eliminated and replaced with one set of Delaware Valley Obligated Group provisions.

Throughout calendar year 1996, AHERF Treasury continued its efforts to formalize the debt compliance reporting process. A debt compliance checklist was prepared for the Delaware Valley Obligated Group. As you know, these checklists are maintained for each reporting entity within the AHERF structure. These schedules detail the 1) activities which trigger compliance, 2) quarterly and annual reporting of: operating performance, officer's certificate of no default, budgeted financial statements, utilization statistics, adequate insurance coverage, 3) maintenance of financial ratios, and 4) limitations on additional indebtedness, etc. These schedules are kept current by AHERF Treasury which is responsible for oversight of the debt compliance process. Treasury also maintains a debt compliance manual for each of the Obligated Groups within the AHERF system. However, direct responsibility for meeting the stated debt compliance requirements continues to rest with the respective Chief Financial Officers.

Effective during calendar year 1997, the AHERF Treasury Department assumed responsibility for debt compliance for Allegheny Hospitals, Centennial, Allegheny Hospitals, New Jersey, and Allegheny University Medical Centers. Next year's summary report will include the debt compliance activities of these entities.

Please do not hesitate to contact me at (412) 442-2225 should you have any questions or comments on the information contained herein.

Enclosure
S:\WPLANDY\COMPS

cc: AJ Adams
Dun Cassel
Nate Dowling
Susan M. Gilbert

William Kennedy
Angela B. Maher
Michael P. Martin
Michael Meyer

Stephen H. Spargo
Nancy A. Wyman
Amy Frasier (Coopers & Lybrand)
Bucky Serrafal (Poley Lashner Weinberg & Aromson)

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12-May-97
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APER DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996

Document Referenced/ Section	Due Date	Date Delivered	Recipient of Material
L. ALLEGHENY GENERAL HOSPITAL OBLIGATED GROUP			
A. Quarter Ending 03/31/96 Financial Statements + Officer's Certificate (Evidence of No-Default)			
Letter of Credit(88)- 6.08(b)	05/31/96	05/30/96	PNC
Letter of Credit(93)- 6.08(b)	05/31/96	05/30/96	PNC
Line of Credit (Includes maintenance of 5 financial covenants: DSCR, Liquidity Ratio, Indebtedness:Capitalization Unrestricted Fund Balance, Unencumbered Cash or Investments)	05/31/96	05/30/96	ABN Amro
Loan Agreement 1991 - Exhibit A	05/31/96	05/30/96	MBIA
Physician Guaranteed Loan Program	"when available"	05/30/96	Mellon
- Paragraph 11	"when available"	05/30/96	Mellon
Executive Guaranteed Loan Program			
- Paragraph 11			
Financing Agreement - per request	05/31/96	05/30/96	JP Morgan
Note Purchase Agreement - 6.2(b)	05/31/96	05/30/96	UNUM, Manulife
Mellon Term Loan Agreement-5.02(b)	05/31/96	05/30/96	Mellon
First Supplemental MTT-5.02(b)	05/31/96	05/30/96	PNC Bank, N.A.
Remarketing Agreement-3(c)	05/31/96	05/30/96	BT Securities
Loan Agreement-95A-Exhibit A	05/31/96	05/30/96	MBIA
Reimbursement & Security Agreement	05/31/96	05/30/96	Morgan Guaranty
-7(a)(ii)			
B. Asset Transfer/Sale/Lease [AGH sale of IBM Building on June 26, 1996]			
Restated Master Trust Indenture	Prior Written	05/02/96	PNC
-5.09	Notice		
Trust Indenture 1988 - 708	(Officer's	05/02/96	Mellon
Mellon Term Loan Agreement - 5.01	Certificate)	05/02/96	Mellon
First Supplemental MTT - 5.01		05/02/96	PNC
Letter of Credit (88)- 6.08(d)		05/02/96	PNC
Letter of Credit (93)- 6.08(d)		05/02/96	PNC
Line of Credit		05/02/96	ABN Amro
C. Annual Budgeted F/S - FY97			
Letter of Credit (88)- 6.08(d)	07/31/96	07/31/96	PNC
Letter of Credit (93)- 6.08(d)	07/31/96	07/31/96	PNC
Line of Credit	07/31/96	07/31/96	ABN Amro
Loan Agreement 1991 - Exhibit A	11/30/96	10/25/96	MBIA
Reimbursement & Security Agreement	07/31/96	07/31/96	Morgan Guaranty
-7(a)(x)			

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**AHERF DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996**

12-May-97
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Document Reference/ Section	Due Date	Date Delivered	Recipient of Material
D. Annual Audited F/S of The Obligated Group + Opinion of Independent CPA (FY Ending 06/30/96)	Restated Master Trust Indenture - 5.11(a)	11/30/96	S&P, Moody's, PNC
	Letter of Credit(88) - 6.08(a)	10/31/96	PNC
	Letter of Credit(93) - 6.08(a)	10/31/96	PNC
	Line of Credit	10/31/96	ABN Amro
	Loan Agreement 1991 - 510	10/25/96	S&P, Moody's, PNC, PHEFA
	Loan Agreement 1991 - Exhibit A	10/25/96	MBIA
	Physician & Executive Guaranteed Loan Agreement - Paragraph 11	10/25/96	Mellon
	Trust Indenture 1988 - 707	10/25/96	Mellon ✓ JP Morgan
	Financing Agreement - 504(a) -also requires "combining" F/S	10/25/96	Manulife, UNUM, NAIC
	Note Purchase Agreement -6.2(c)	10/25/96	Manulife, UNUM, JP Morgan
	Sixth Supplemental MTI -403	10/25/96	BT Securities
	Remarketing Agreement-3(c)	10/25/96	ACHDA, Mellon, S&P, Moody's, MBI
E. Annual Independent Auditor's Report (Stating maintenance of: LTDSC Ratio)	Loan Agreement-95A-Exhibit A	11/30/96	Morgan Guaranty
	Reimbursement & Security Agreement -7(a)(i)	11/30/96	
	Restated Master Trust Indenture - 5.11(b)	11/30/96	PNC
	Letter of Credit(88)- 6.14	10/31/96	PNC
	Letter of Credit(93) - 6.14	10/25/96	PNC
	Line of Credit	10/25/96	ABN Amro
	Trust Indenture 1988 - 708	10/25/96	Mellon
	Note Purchase Agreement -6.2(c)	10/25/96	Manulife, UNUM, NAIC
	Sixth Supplemental MTI -403	10/25/96	Manulife, UNUM, JP Morgan
	Reimbursement & Security Agreement -7(a)(v)	10/25/96	Morgan Guaranty
	Restated Master Trust Indenture - 5.08(a) (LTDSCR)	11/30/96	PNC
	Trust Indenture 1988 - 708 (same as Restated Master Trust Indenture)	10/25/96	Mellon
F. Maintenance of Financial Covenants FY96	Letter of Credit(88) - 6.11(b)	10/25/96	PNC
	Letter of Credit(93) - 6.11(b)	10/25/96	PNC
	Line of Credit	10/25/96	ABN Amro

Note: all financial
covenants were met.

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**AHERF DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996**

12-May-97
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Document Reference/ Section	Due Date	Date Delivered	Recipient of Material
F. Maintenance of Financial Covenants FY96			
Reimbursement & Security Agreement - 7(b), (c), (d), (e), (i) (DSCR, Liquidity Ratio, Indebtedness: Capitalization, Unrestricted Fund Balance, Unencumbered cash or Investments)	11/30/96	10/25/96	Morgan Guaranty
Financing Agreement - 504(m)(iii) (DSCR)	N/A	10/25/96	JP Morgan
First Supplemental MTI - 5.01 (DSCR)	11/30/96	10/25/96	PNC
Restated Master Trust Indenture - 5.03 Letter of Credit(88) - 6.03	11/30/96	10/25/96	PNC * Valued Opinion Cent.
Letter of Credit(93) - 6.03	11/30/96	10/25/96	PNC
Line of Credit	11/30/96	10/25/96	PNC
Loan Agreement 1991 - Exhibit A	11/30/96	10/25/96	ABN Amro
Trust Indenture 1988 - 708	11/30/96	10/25/96	MBIA
Note Purchase Agreement-6.2(c)	11/30/96	10/25/96	Mellon
Sixth Supplemental MTI-403	11/30/96	10/25/96	Manulife, UNUM
Loan Agreement-95A-510(b)	11/30/96	10/25/96	Manulife, UNUM, JP Morgan
Loan Agreement-95A-Exhibit A	"as soon as practicable"	10/25/96	ACHDA
Reimbursement & Security Agreement - 7(k)	11/30/96	10/25/96	MBIA
	"upon request"	10/25/96	Morgan Guaranty
Loan Agreement 1991 - Exhibit A	11/30/96	10/25/96	MBIA
Loan Agreement-95A-Exhibit A	11/30/96	10/25/96	MBIA
Restated Master Trust Indenture - 5.11(b)	11/30/96	10/25/96	PNC
Letter of Credit(88) - 6.08(a)	10/31/96	10/25/96	PNC
Letter of Credit(93) - 6.08(a)	10/31/96	10/25/96	PNC
Line of Credit			
Trust Indenture 1988 - 708	11/30/96	10/25/96	Mellon
Loan Agreement 1991 - 510	11/30/96	10/25/96	S&P, Moody's, PNC, PHEFA
Physician & Executive Guaranteed Loan Agreement - Paragraph 11	"when available"	10/25/96	Mellon
Note Purchase Agreement - 6.2(c)	11/30/96	10/25/96	Manulife, UNUM, NAIC
Sixth Supplemental MTI - 403	11/30/96	10/25/96	Manulife, UNUM, JP Morgan
Loan Agreement-95A-510(A)	11/30/96	10/25/96	MBIA
Reimbursement & Security Agreement - 7(iv)	11/30/96	10/25/96	Morgan Guaranty
G. Annual Report of Insurance Consultant			
H. Annual Management Letter			
I. Annual Officer's Certificate (Evidence of No-Default)			

F. Maintenance of Financial Covenants FY96

Note: all financial covenants were met.

G. Annual Report of Insurance Consultant

H. Annual Management Letter

I. Annual Officer's Certificate (Evidence of No-Default)

**AHERF DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996**

12-May-97
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Document Reference/ Section	Due Date	Date Delivered	Recipient of Material
J. Utilization Statistics/Payor Mix Medicare Case Mix Index (Certified by CFO)			
Loan Agreement 1991 - Exhibit A	11/30/96	10/25/96	MBIA
Loan Agreement-95A-Exhibit A	11/30/96	10/25/96	MBIA
Reimbursement & Security Agreement -7(a)(ix)	11/30/96	10/25/96	Morgan Guaranty
K. Summary of Material Litigation (defined as uninsured litigation involving aggregate claims in excess of \$5 million)			
Letter of Credit(88) - 6.08(e)	"Promptly upon obtaining knowledge thereof"	n/a	PNC
Letter of Credit(93) - 6.08(e)		n/a	PNC
Line of Credit		n/a	ABN Amro
Financing Agreement - 504(e)	11/30/96	n/a	JP Morgan
Loan Agreement 1991 - Exhibit A	11/30/96	n/a	MBIA
Loan Agreement-95A-Exhibit A	11/30/96	n/a	MBIA
L. Quarter Ending 09/30/96 Financial Statements + Officer's Certificate (Evidence of No-Default)			
Letter of Credit(88)- 6.08(b)	11/30/96	11/25/96	PNC
Letter of Credit(93)- 6.08(b)	11/30/96	11/25/96	PNC
Line of Credit (Includes maintenance of 5 financial covenants: DSCR, Liquidity Ratio, Indebtedness:Capitalization Unrestricted Fund Balance, Unencumbered)	11/30/96	11/25/96	ABN Amro
Loan Agreement 1991 - Exhibit A	11/30/96	11/25/96	MBIA
Physician Guaranteed Loan Program - Paragraph 11	"when available"	11/25/96	Mellon
Executive Guaranteed Loan Program - Paragraph 11	"when available"	11/25/96	Mellon
Financing Agreement - per request	11/30/96	11/25/96	JP Morgan
Note Purchase Agreement - 6.2(b)	11/30/96	11/25/96	UNUM, Manulife
Remarketing Agreement-3(c)	11/30/96	11/25/96	BT Securities
Loan Agreement-95A-Exhibit A	11/30/96	11/25/96	MBIA
Reimbursement & Security Agreement -7(a)(ii)	11/30/96	11/25/96	Morgan Guaranty
M. Quarter Ending 12/31/96 Financial Statements + Officer's Certificate (Evidence of No-Default)			
Letter of Credit(88)- 6.08(b)	03/01/97	02/27/97	PNC
Letter of Credit(93)- 6.08(b)	03/01/97	02/27/97	PNC
Line of Credit (Includes maintenance of 5 financial covenants: DSCR, Liquidity Ratio, Indebtedness:Capitalization Unrestricted Fund Balance, Unencumbered)	03/01/97	02/27/97	ABN Amro
Loan Agreement 1991 - Exhibit A	03/01/97	02/27/97	MBIA
Physician Guaranteed Loan Program - Paragraph 11	"when available"	02/27/97	Mellon
Executive Guaranteed Loan Program - Paragraph 11	"when available"	02/27/97	Mellon

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**AHERF DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996**

12-May-97
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Document Reference/ Section	Due Date	Date Delivered	Recipient of Material
<i>M. Quarter Ending 12/31/96 Financial Statements</i>			
	Financing Agreement - per request	03/01/97	JP Morgan
	Note Purchase Agreement - 6.2(b)	03/01/97	UNUM, Manulife
	Remarketing Agreement-3(c)	03/01/97	BT Securities
	Loan Agreement-95A-Exhibit A	03/01/97	MBIA
	Reimbursement & Security Agreement -7(a)(ii)	03/01/97	Morgan Guaranty
<i>N. Asset Transfer/Sale/Lease [AGH asset transfers to AHERF and ASRI expected during FY 97]</i>			
	Restated Master Trust Indenture -5.09(c)(i)	Prior Written Notice	PNC
	Trust Indenture 1988 - 708	10/25/96	Mellon
<i>O. Additional Indebtedness and Asset Transfers in excess of \$30 million, both measured on a fiscal year basis [AGH asset transfers to AHERF and ASRI during FY 96]</i>			
	Financing Agreement-5.04(m)(i)(ii)	Written Notice at end of each Fiscal Year	JP Morgan
<i>P. Secondary Market Disclosure Report</i>			
	Loan Agreement-95A-310(c)	"when available"	MBIA
<i>Q. AHERF Annual Audited Financial Statements</i>			
	Loan Agreement-95A-Exhibit A	11/30/96	MBIA
<i>R. Listing of All Obligated Group Members</i>			
	Loan Agreement-95A-Exhibit A	11/30/96	MBIA
<i>S. Listing of Investments</i>			
	Reimbursement & Security Agreement -7(f)(ii)	8/15/96	Morgan Guaranty
<i>T. Asset Transfer/Sale/Lease [AGH sale of East Wing, James Street Garage, and Hemlock Garage on November 22, 1996]</i>			
	Restated Master Trust Indenture -5.09	Prior Written Notice	PNC
	Trust Indenture 1988 - 708	11/20/96	Mellon
	Letter of Credit(88)- 6.01	11/20/96	PNC
	Letter of Credit(93)- 6.01	11/20/96	PNC
	Line of Credit	11/20/96	ABN Amro*

**AHERF DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996**

12-May-97
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Document Reference/ Section	Due Date	Date Delivered	Recipient of Material
U. Asset Transfer/Sale/Lease [AGH transfer of substantial portion of ASRI business activities to AUHS on January 1, 1997]	Restated Master Trust Indenture -5.09 Trust Indenture 1988 - 708 Letter of Credit(88)- 6.01 Letter of Credit(93)- 6.01 Line of Credit	01/29/97 01/29/97 01/29/97 01/29/97 01/29/97	PNC Mellon PNC PNC ABN Amro
V. Investment Policy Amendments (Revised effective December 12, 1996)	Reimbursement & Security Agreement-7(f)(i) Notify Morgan promptly of amendments to Investment Policy	04/30/97	Morgan Guaranty

AHERF DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996

12-May-97
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Document Reference/ Section	Due Date	Date Delivered	Recipient of Material
II. THE MEDICAL COLLEGE OF PENNSYLVANIA HOSPITAL (MCPH) / MEDICAL COLLEGE OF PENNSYLVANIA AND HAHNEMANN UNIVERSITY (MCPHU)			
A. Quarter Ending 3/31/96 Financial Statements			
MCPH First Supplemental Loan & Security Agreement (1991) - 402 Assumption and Modification Agreement (1992) - 2(vii)(a) Credit Agreement - 4.4(a)(1)	"as soon as available"	05/30/96	Bondholders owning \$500,000 who request so in writing
<i>[With Officer's Certificate]</i>	05/30/96	05/30/96	PNC
MCPHU Loan & Security Agreement (1992) - 618(a) <i>Bondholder that received financial statements for quarter ending 3/31/96:</i> Franklin Funds Vank Kampen American Capital T. Rowe Price Associates	"as soon as available"	05/30/96	Bondholders owning \$500,000 who request so in writing
B. Sale/Disposition of Assets <i>[MCPHU disposition of the Delaware Valley Sports Medicine Center on April 30, 1996]</i>	Prior Written Notice (Officer's Certificate)	04/02/96	Mellon Bank, N.A.

Note: The reporting requirements of the MCPH Series 1991A and MCPHU Series 1989A and 1991B bond documents were in effect for the calendar year period beginning January 1, 1996 and ending June 19, 1996. On June 19, 1996, these bonds were refunded and the documents executed in connection with the Delaware Valley Obligated Group Series 1996 bond issue became effective.

**AHERF DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996**

12-May-97
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Document Reference/ Section	Due Date	Date Delivered	Recipient of Material
III. ALLEGHENY UNITED HOSPITALS / ST. CHRISTOPHER'S HOSPITAL FOR CHILDREN OBLIGATED GROUP			
A. Quarter Ending 03/31/96 FIS of Obligated Group + Officer's Certificate (Evidence of No Default)	05/30/96	05/30/96	PNC
Credit Agreement - 5.2(a)(1), 5.2(a)(3)			
B. Quarter Ending 03/31/96 FIS of Horizon Medical Corp + Officer's Certificate (Evidence of No Default)	05/30/96	05/30/96	PNC
Credit Agreement - 5.2(a)(1), 5.2(a)(3)			

Note: The reporting requirements of the AUH Series 1985 and 1989 and the SCHC Series 1987 bond documents were in effect for the calendar year period beginning January 1, 1996 and ending June 19, 1996. On June 19, 1996, these bonds were refunded and the documents executed in connection with the Delaware Valley Obligated Group Series 1996 bond issue became effective.

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**AHERF DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996**

12-May-97
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Document Reference/ Section	Due Date	Date Delivered	Recipient of Material
IV. HAINEMANN UNIVERSITY HOSPITAL OBLIGATED GROUP			
A. Quarter Ending 03/31/96 Financial Statements			
89 Loan Agreement-Exhibit A	05/30/96	05/30/96	MBIA
91 Loan Agreement Supplement-Exhibit A	05/30/96	05/30/96	MBIA
91 Second Supplemental Indenture-3.3	05/30/96	05/30/96	MBIA
89 91 Waiver and Direction to Bond Trustee-3	05/30/96	05/30/96	MBIA
(with Officer's Certificate)	05/30/96	05/30/96	Meridian
LC Letter of Credit-(V)(5.01)(A)			
B. Provisions of Leases			
14 Trust Indenture - 6.14(a)(v)	Annually, on May	05/03/96	PHEFA
PHEFA Lease #8-2-64 Part 1-1.02(h)	15 and Nov. 15,		
PHEFA Lease Part II-11.01	submit an Officer's Certificate		
	evidencing compliance during		
	the current, preceding, and next		
	rental periods		
C. Extension of Termination Date: Reduction of Stated Letter of Credit Amount			
LC Letter of Credit-6.01(E)	Annually, June 15	10/08/96	Meridian
	Submit signed copy of		
	Exhibit 2.08		
D. Sale/Lease/Disposition of Property			
(89) Master Trust Indenture -6.4	Prior Written	04/02/96	Mellon Bank
(89) First Supplemental Indenture-3.1(O)(2)	Notice (Officer's		
	Certificate)		
[HUH sale of two outpatient physical therapy centers on April 30, 1996]			

Note: The reporting requirements of the HUH Series 1989 and 1991, and PHEFA Series 14 bond documents were in effect for the calendar year period beginning January 1, 1996 and ending June 19, 1996. On June 19, 1996, these bonds were refunded and the documents executed in connection with the Delaware Valley Obligated Group Series 1996 bond issue became effective.

CL 020824

V. DELAWARE VALLEY OBLIGATED GROUP

Page 10

AHERF DEBT COMPLIANCE SUMMARY CALENDAR YEAR 1996

12-May-97
S:\123\KKL\COMPL96.WK3

Document Referenced/ Section	Due Date	Date Delivered	Recipient of Material
E. Annual Budgeted Financial Statements, approved by Board (including Projection of Cash Flow)	07/31/96	07/31/96	PNC Bank, N.A.
F. Secondary Market Disclosure Report	N/A 12/31/96 N/A	12/23/96 12/23/96 01/06/97	Norwest Norwest PNC Bank, N.A.
G. Utilization Statistics	11/30/96	11/25/96	PNC Bank, N.A.
H. Short-Term Debt "Clean-up" Provisions	N/A	N/A	See memo to files dated 7-1-96 to 7-16-96
Note: Short-term debt was reduced for 15 days 7-1-96 to 7-16-96			
I. Membership into the Obligated Group [Admission of Horizon Transition Corporation into DYOG on December 20, 1996]	Officer's Certificate	11/21/96	Norwest V H F
J. Withdrawal from the Obligated Group [Withdrawal of Horizon Medical Corporation from the DYOG on December 20, 1996]	Officer's Certificate Opinion of Bond Counsel Prior Written Consent	11/21/96 11/21/96 11/21/96	Norwest PNC Bank, N.A. MBIA
K. Maintenance of Financial Covenants FY96	"Annually"	11/25/96	Norwest MBIA
Note: all financial covenants were met.	"Quarterly"	11/25/96 02/27/97	PNC Bank, N.A.

CL 020826

12-May-97
S:\123\KKL\COMPL96.WK3

**AHERF DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996**

Document Reference/ Section	Due Date	Date Delivered	Recipient of Material
<i>L. Quarter ended 12/31/96 Financial Statements (with Officer's Certificate)</i>			
Letter of Credit-6.08(b)	02/28/97	02/27/97	PNC Bank, N.A.
Financial Guaranties-2.06(a)	02/28/97	02/27/97	MBIA
Remarketing Agreement-9(d)	02/28/97	02/27/97	Merrill Lynch Corporate Credit
\$25 Million PNC-5.2(a)(1), 5.2(a)(3)	02/28/97	02/27/97	PNC Bank, N.A.
2 Logan Square LOC-(V)(5.01)(A)	02/28/97	02/27/97	CoreStates Bank
\$7.5 Million First Union	"upon request"	02/27/97	First Union
\$7.5 Million CoreStates-11(n)	"upon request"	02/27/97	CoreStates
\$10 Million CoreStates-11(n)	"upon request"	02/27/97	CoreStates
\$8 Million PNC	"upon request"	02/27/97	PNC Bank, N.A.

CL 020827

**AHERF DEBT COMPLIANCE SUMMARY
CALENDAR YEAR 1996**

12-May-97
S:\123UKKL\COMPL\96.WK3

Document Referenced Section	Due Date	Date Delivered	Recipient of Material
VI. ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION			
A. Quarter Ending 03/31/96 Financial Statements + Officer's Certificate	05/30/96	05/30/96	PNC
	As soon as available	05/30/96	MBIA
B. Annual Audited Financial Statements + Officer's Certificate	10/31/96	11/08/96	PNC
	11/30/96	11/08/96	MBIA
C. Maintain Adequate Insurance Coverage	N/A	11/08/96	PNC
D. Quarter Ending 09/30/96 Financial Statements + Officer's Certificate	11/30/96	11/25/96	PNC
E. Quarter Ending 12/31/96 Financial Statements + Officer's Certificate	03/01/97	02/26/97	PNC
F. Maintain unencumbered an amount equal to at least 110% of the outstanding aggregate principal balance of all disbursements and unreimbursed obligations under Letter of Credit at such time. [Amendment effective June 3, 1996]	N/A	08/08/96	PNC

*Then copy to
Legal Services - June 1, 1997
Legal Services - June 1, 1997
Paul 7
Sud 7.1
Financial Statements
Page A 2.*

Page 13

CL 020828



320 East North Avenue
Pittsburgh, PA 15212-4772


ALLEGHENY
HEALTH, EDUCATION AND
RESEARCH FOUNDATION

MEMORANDUM

VIA HAND DELIVERY

Date: Wednesday, Nov-05-97

To: Amy Frazier
Coopers & Lybrand

From: Susan Gilbert 
AHERF Treasury

Re: Revised AGH Financial Covenants – Fiscal Year 1997

Amy, pursuant to our phone conversation, enclosed please find *revised* AGH financial covenant calculations. We included 12-months of ASRI activity (that portion of ASRI which was left behind and did not merge into AUHS) into the calculation. Our approach is conservative and is based upon a June 30, 1997 notification letter to the various bond trustees that ASRI would no longer be a Member of the AGH Obligated Group (therefore, for debt compliance purposes only, we assume a 12-month ASRI membership).

Included in this mailing:

- ✓ AGH Master Trust Indenture testing
- ✓ AGH / PNC Letter of Credit Agreement testing
- ✓ AGH / Morgan Guaranty Letter of Credit Agreement testing

Also, I would appreciate if you could deliver to my attention a *draft* copy of all of the various debt letters and agreed-upon procedures letters to-be issued by C&L for AHERF Treasury's final review.

Should you have any questions on the information contained herein, please do not hesitate to contact me at (412) 442-2227.

Thank you.

S:\WPMURRAY\FRAZ12.WPD

enclosures

cc: D.Cancelmi
A.Maher
M.Martin
K.Mertz

Allegheny Health, Education and Research Foundation

Allegheny General Hospital • Allegheny Integrated Health Group • Allegheny University of the Health Sciences
Allegheny University Hospitals • Allegheny University Medical Centers • St. Christopher's Hospital for Children

CL 020829

AGH OBLIGATED GROUP

RESTATED & AMENDED MASTER TRUST INDENTURE COVENANT
for Fiscal Year ended June 30, 1997
 (\$ Thous)

HISTORICAL LONG-TERM DEBT SERVICE COVERAGE RATIO

Income Available for Debt Service:

Excess of Revenues Over Expenses
 Depreciation and Amortization
 Long-Term Debt Interest Expense
 Less: Income from the sale of assets not in the
 ordinary course of business

	<u>AGH</u>	<u>+ ASRI</u>	
\$8,007	= 11,843	+ <5836>	
31,756	= 30,813	+ 883	
12,975	= 12,975	+ -	
(538)	(a)		
\$50,200			

Interest does not qualify

Long-Term Debt Service Requirement:

1988 Bonds
 1991 Bonds
 1993 Bonds
 1995 Bonds
 ANI Term Loan
 Capital Leases
 Guarantees [20% of annual debt service requirement]

	2,973	
	5,057	
	6,237	
	6,809	
	7,812	
	332	
	75	
	<u>\$28,895</u>	

(b) *agrees to previous calculation*

Historical Long-Term Debt Service Coverage Ratio
 [requirement: 1.10]

1.737 x
≈ 1.74

(a) Represents the amortization of the deferred revenue of \$16.1 million generated from the sale of the East Wing, Hemlock, and James Street garages. Amount derived from the Statement of Cash Flows for the fiscal year ended June 30, 1997.

(b) Represents the principal and interest paid on the ANI Term Loan with Mellon Bank which AGH elected to prepay on September 18, 1998. Actual maturity date was June 18, 1999.

Note since ASRI has been relieved from the Obligated Group as of June 30, 1997, however, for purpose of the income statement & DSCR ASRI was apart of the system

22-Oct-97

Filename: S:\123\K\LT\TDC97.WK3

AGH OBLIGATED GROUP

22-Oct-97

PNC Bank, N.A.
 [Series 1988 & Series 1993: Letter of Credit Agreements]

Financial Ratios

For the twelve months ended June 30, 1997
 (\$'S IN THOUSANDS)

	Covenant		Calculated Ratio
A.	Liquidity Ratio. Not less than 2:1		
	Calculation:	$\frac{(\text{Current Assets} + \text{Board-designated Assets})}{\text{Current Liabilities}}$	
		$= \frac{(86,243 + 50,274)}{66,404}$	$= \underline{\underline{2.06}}$
B.	Total Indebtedness to Total Capitalization Not more than 66-2/3%		
	Calculation:	$\frac{(\text{Long-term Debt})}{[\text{Long-term Debt} + \text{Consolidated Unrestricted Fund Balances}]}$	
		$= \frac{(242,454)}{[242,454 + 252,086]}$	$= \underline{\underline{49.03\%}}$
C.	Debt Service Coverage Ratio Not less than 1.2:1		
	Calculation:	$\frac{(\text{Excess Revenues Over Expenses} - \text{Gain on Sale/Leaseback} + \text{Dep/Amort} + \text{L/T Int. Exp.})}{12\text{-month Projected Long-term Debt Service Requirement}}$	
		$= \frac{(6,007 - 538 + 31,758 + 12,975)}{21,431 \text{ [a]}}$	$= \underline{\underline{2.34}}$
	[a] Variable rate assumption: 6-month average of most recent 9-month period.		
D.	Maintain a Consolidated Unrestricted Fund Balance of at Least \$200,000.		
	Consolidated Unrestricted Fund Balance, at June 30, 1997		$\underline{\underline{\$252,086}}$
E.	Maintain \$30,000 in Cash or Investments, Unencumbered and Satisfactory to PNC Bank.		
	AGH Funded Depreciation Portfolio, Market Value at June 30, 1997		$\underline{\underline{\$50,274}}$

PAGE 2

12-Month Projected Long-Term Debt Service Requirement
Period ending June 30, 1998

[PNC Bank, N.A.]

Series 1993-A:													
Assumed interest rate: 5.73% (see below)													
Rehab Mgmt Services													
Assumed interest rate: 8.25% (see below)													
	Jan-97	Aug-97	Sep-97	Oct-97	Nov-97	Dec-97	Jan-98	Feb-98	Mar-98	Apr-98	May-98	Jun-98	Totals
1988 Bond													
Principal								1,300,000					1,300,000
Interest	141,436	141,436	136,874	141,436	136,874	141,436	141,436	127,749	137,508	133,072	137,508	133,072	1,649,837
1991 Bond													
Principal													1,235,000
Interest		1,235,000						1,889,075					3,817,053
1993 Bond													
Principal	1,488,580						1,521,774						3,010,355
Interest	1,076,636	127,832	123,708	127,832	123,708	127,832	1,040,481	112,786	124,871	120,843	124,871	120,843	3,352,243
1995A Bond													
Principal													1,000,000
Interest		1,000,000						1,430,316					2,884,382
1995B Bond													
Principal													1,100,000
Interest	148,779	148,779	140,747	145,439	140,747	145,439	145,439	131,364	145,439	140,747	145,439	140,747	1,719,105
Capital Leases #8, #9, #10	24,246	24,246	24,246	24,246	24,246	24,246	24,246	24,246	24,246	24,246	24,246	24,246	290,952
Guarantee of Mellon Physician Loan	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	42,467
Guarantee of Northside Deposit Bank	2,497	2,485	2,472	2,460	2,448	2,435	2,423	2,411	2,398	2,386	2,373	2,361	29,149
Rehab Mgmt Services Loan													21,430,542

CL 020832

PAGE 3

Series 1988 Bonds			Series 1993-A Bonds		
Month	End of		6 Month Lagging Avg	End of Month Rate	6 Month Lagging Avg
	Month Rate				
Oct-96	3.45%			5.64%	
Nov-96	3.55%			5.65%	
Dec-96	4.10%			5.90%	
Jan-97	3.55%			5.69%	
Feb-97	3.30%			5.63%	
Mar-97	3.40%		3.56% *	5.88%	5.73% *
Apr-97	4.50%		3.73%	5.89%	5.77%
May-97	3.90%		3.79%	5.89%	5.81%
Jun-97	4.20%		3.81%	5.94%	5.82%

Series 1995B Bonds			Rehab Mgmt Services Loan		
Month	End of		6 Month Lagging Avg	End of Month Rate	6 Month Lagging Avg
	Month Rate				
Oct-96	3.55%			8.25%	
Nov-96	3.55%			8.25%	
Dec-96	4.05%			8.25%	
Jan-97	3.55%			8.25%	
Feb-97	3.30%			8.25%	
Mar-97	3.45%		3.58% *	8.25%	8.25% *
Apr-97	4.50%		3.73%	8.50%	8.29%
May-97	3.90%		3.79%	8.50%	8.33%
Jun-97	4.15%		3.81%	8.50%	8.38%

Series 1995B Bonds			
Month	End of		6 Month Lagging Avg
	Month Rate		
Oct-96	3.55%		
Nov-96	3.55%		
Dec-96	4.05%		
Jan-97	3.55%		
Feb-97	3.30%		
Mar-97	3.45%		3.58% *
Apr-97	4.50%		3.73%
May-97	3.90%		3.79%
Jun-97	4.15%		3.81%

Rehab Mgmt Services Loan		
End of	6 Month	
Month Rate	Lagging Avg	
8.25%		
8.25%		
8.25%		
8.25%		
8.25%		
8.25%		8.25% *
8.50%		8.29%
8.50%		8.33%
8.50%		8.38%

CL 020833

AGH OBLIGATED GROUP

23-Oct-97

MORGAN GUARANTY TRUST CO OF NY
[Series 1995-B Reimbursement & Security Agreement]

Financial Ratios

For the twelve months ended June 30, 1997
(\$'S IN THOUSANDS)

Covenant	Calculated Ratio
A. Liquidity Ratio Not less than 2:1	
Calculation: $\frac{(\text{Current Assets} + \text{Board-designated Assets})}{\text{Current Liabilities}}$	
= $\frac{(86,243 + 50,274)}{66,404}$	= <u>2.06</u>
B. Total Indebtedness to Total Capitalization Not more than 63%	
Calculation: $\frac{(\text{Long-term Debt})}{[\text{Long-term Debt} + \text{Consolidated Unrestricted Fund Balances}]}$	
= $\frac{(242,454)}{[242,454 + 192,233]}$ <div style="margin-left: 150px;"> $\frac{792}{191,441}$ </div> <div style="margin-left: 100px;"> $477,895$ </div>	= $\frac{55.78\%}{(192,233)}$ <div style="margin-left: 10px;"> W/ASR 55.9 ↓ W/OUT ASR </div>
C. Debt Service Coverage Ratio Not less than 1.3:1	
Calculation: $\frac{(\text{Excess Revenues Over Expenses} - \text{Gain on Sale/Leaseback} + \text{Dep. \& Amort.} + \text{I/T Int. Exp.})}{12\text{-month Projected Long-term Debt Service Requirement}}$	
= $\frac{(8,007 - 538 + 31,758 + 12,975)}{22,068 [a]}$ <div style="margin-left: 50px;"> <i>adjusted to include ASR</i> </div>	= <u>2.27</u>
[a] Variable rate assumption: most recent 3-month average. Or, if not available, rate at inception.	
D. Maintain a Consolidated Unrestricted Fund Balance of at Least \$160,000.	
Consolidated Unrestricted Fund Balance, at June 30, 1997	<u>\$192,233</u>

PAGE 2

12-Month Projected Long-Term Debt Service Requirement
Period ending June 30, 1998

[MORGAN GUARANTY TRUST CO OF NY]

Series 1988:		Series 1993-A:											
Assumed interest rate:		Assumed interest rate:											
4.20% (see below)		5.91% (see below)											
Series 1995B:		Rehab Management Services Loan											
Assumed interest rate:		Assumed interest rate:											
4.18% (see below)		8.50% (see below)											
	Jul-97	Aug-97	Sep-97	Oct-97	Nov-97	Dec-97	Jan-98	Feb-98	Mar-98	Apr-98	May-98	Jun-98	Totals
1988 Bond													
Principal	166,941	166,941	161,556	166,941	161,556	166,941	166,941	130,000	162,304	157,068	162,304	157,068	1,300,000
Interest								150,786					1,947,347
1991 Bond													
Principal		1,235,000											1,235,000
Interest		1,927,978						1,889,075					3,817,053
1993 Bond													
Principal	1,488,580						1,521,774						3,010,354
Interest	1,080,539	131,735	127,486	131,735	127,486	131,735	1,044,293	116,230	128,683	124,532	128,683	124,532	3,397,670
1995A Bond													
Principal		1,000,000											1,000,000
Interest		1,454,066						1,430,316					2,884,382
1995B Bond													
Principal	174,095	174,095	164,697	170,187	164,697	170,187	170,187	153,717	170,187	164,697	170,187	164,697	1,100,000
Interest	24,246	24,246	24,246	24,246	24,246	24,246	24,246	24,246	24,246	24,246	24,246	24,246	2,011,630
Capital Leases #8, #9, #10													290,952
Guarantee of Mellon Physician Loan	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	42,467
Guarantee of Northside Deposit Bank	2,518	2,506	2,493	2,480	2,467	2,455	2,442	2,429	2,416	2,404	2,391	2,378	29,178
Rehab Mgmt Services Loan													22,066,232

CL 020835

PAGE 3

Series 1993-A Bonds		
Month	End of Month Rate	3 Month Average
Apr-97	5.89%	
May-97	5.89%	
Jun-97	5.94%	5.91%

Rehab Management Services Loan		
Month	End of Month Rate	3 Month Average
Apr-97	8.50%	
May-97	8.50%	
Jun-97	8.50%	8.50%

Series 1998 Bonds		
Month	End of Month Rate	3 Month Average
Apr-97	4.50%	
May-97	3.90%	
Jun-97	4.20%	4.20%

Series 1995B Bonds		
Month	End of Month Rate	3 Month Average
Apr-97	4.50%	
May-97	3.90%	
Jun-97	4.15%	4.18%

CL 020836

DRAFT

AGH OBLIGATED GROUP

RESTATED & AMENDED MASTER TRUST INDENTURE COVENANT
for Fiscal Year ending June 30, 1997
(\$ Thous)

HISTORICAL LONG-TERM DEBT SERVICE COVERAGE RATIO

Income Available for Debt Service:

Excess of Revenues Over Expenses	\$11,843 ✓
Depreciation and Amortization	30,873
Long-Term Debt Interest Expense	12,975
Less: Income from the sale of assets not in the ordinary course of business	(538) A (a)
	\$55,153

Long-Term Debt Service Requirement:

1988 Bonds	2,973 B
1991 Bonds	5,057 B
1993 Bonds	6,237
1995 Bonds	6,609 B
ANI Term Loan	7,612 B (b)
Capital Leases	332 →
Guarantees [20% of annual debt service requirement]	75
	<u>\$28,894</u>

Historical Long-Term Debt Service Coverage Ratio
[requirement: 1.10]

1.909 x
CL

(a) Represents the amortization of the deferred revenue of \$16.9 million generated from the sale of the East Wing, Hemlock, and James Street garages. Amount derived from the Statement of Cash Flows for the 12 months ended June 30, 1997.

(b) Represents the principal and interest paid on the ANI Term Loan with Mellon Bank which AGH elected to prepay on September 18, 1996. Actual maturity date was June 16, 1999.

✓ C+L traced + agreed
this Amt to the Audited
financial statements
w/o Exception.

A C+L traced the Amort to the TIB and notes
the following Diff:

20-Aug-97

Filename: S:\123WKLLTDSC97.WK3

Amort of Def Rev per this schedule 538,000
Amort of Def Rev per TIB 512,000 TIB
26,000 I

B C+L traced + Agreed these Amts to
the FYE 97 Actual Debt Service payments (on page 2)
Support schedule without Exception.

CL 020837

DRAFT

Fiscal Year 1997 Actual Debt Service Payments

Source:

Series 1988

Interest	1,673,278
Principal	<u>1,300,000</u>
	2,973,278 B

Filename: BONDRATE.WK1 confirmed
with monthly transfer papersSeries 1991

Interest	3,891,779
Principal	<u>1,165,000</u>
	5,056,779 B

First Boston amortization schedule

Capital Leases

Lease #5	35,951
Lease #6A	34,783
Lease #7	9,590

Amortization schedules
(KLM file)

Lease #8	220,116
Lease #9	14,424
Lease #10	<u>17,495</u>
	332,359

ANI Term Loan

Interest	111,933
Principal	<u>7,500,000</u>
	7,611,933 B

KLM file

Series 1993

Interest	3,554,538
Principal	<u>2,682,321</u>
	6,236,858

KLM file (variable for Series A,
fixed for Series B & C)

Series B & C interest due Jul-1-97 (or FY98)

Series 1995

Interest	4,653,737
Principal	<u>1,955,000</u>
	6,608,737 B

KLM debt service file

Mellon Physician Loan Program

Total P&I	212,333
-----------	---------

Mellon Confirmation

Northside Deposit Bank Rehab Mgmt Services Loan

Interest	52,446
Principal	<u>108,000</u>
	160,446

Northside Deposit Bank
confirmation and copy of
loan agreement

20-Aug-97

Filename: S:\123VKLLTDSC97.WK3

CL 020838

AGH OBLIGATED GROUP

20-Aug-97

PNC Bank, N.A.
[Series 1988 & Series 1993: Letter of Credit Agreements]

DRAFT**Financial Ratios**

For the twelve months ended June 30, 1997
(\$'S IN THOUSANDS)

Covenant	Calculated Ratio
A. Liquidity Ratio Not less than 2:1	$\frac{(\text{Current Assets} + \text{Board-designated Assets})}{\text{Current Liabilities}}$ $= \frac{86,261 + 50,274}{66,404} = 2.06 \text{ CL}$
B. Total Indebtedness to Total Capitalization Not more than 66-2/3%	<p><i>A. C+L notes that this Amnt Differs from the internal FIs as follows:</i> <i>Curr Assets per Internal FIs 86,243</i> <i>Curr. Assets IN Liquidity Ratio 86,261</i> <i>Difference 18</i> <i>This Diff. would not cause the client to be in violation.</i></p> $\frac{(\text{Long-term Debt})}{[\text{Long-term Debt} + \text{Consolidated Unrestricted Fund Balances}]}$ $= \frac{242,454}{[242,454 + 252,086]} = 49.03\% \text{ CL}$
C. Debt Service Coverage Ratio Not less than 1.2:1	$\frac{(\text{Excess Revenues Over Expenses} - \text{Gain on Sale/Leaseback} + \text{Dep/Amort} + \text{L/T Int. Exp.})}{12\text{-month Projected Long-term Debt Service Requirement}}$ $= \frac{11,843 - 538 + 30,873 + 12,975}{21,431 [a]} = 2.57 \text{ CL}$
[a] Variable rate assumption: 6-month average of most recent 9-month period.	
D. Maintain a Consolidated Unrestricted Fund Balance of at Least \$200,000.	
Consolidated Unrestricted Fund Balance, at June 30, 1997	<u>\$252,086</u> B
E. Maintain \$30,000 in Cash or Investments, Unencumbered and Satisfactory to PNC Bank.	
AGH Funded Depreciation Portfolio, Market Value at June 30, 1997	<u>\$50,274</u> ✓

✓ C+L traced & agreed these Amts to the Internal financial Statements without Exception

3 C+L traced & Agreed this Amnt to the Unrestricted Net Assets without Exception.

DRAFT

PAGE 3

DRAFT

Series 1993-A Bonds		
Month	End of Month Rate	6 Month Lagging Avg
Oct-96	5.64%	
Nov-96	5.65%	
Dec-96	5.90%	
Jan-97	5.69%	
Feb-97	5.63%	
Mar-97	5.88%	5.73% *
Apr-97	5.89%	5.77%
May-97	5.89%	5.81%
Jun-97	5.94%	5.82%

Series 1995B Bonds		
Month	End of Month Rate	6 Month Lagging Avg
Oct-96	3.45%	
Nov-96	3.55%	
Dec-96	4.10%	
Jan-97	3.55%	
Feb-97	3.30%	
Mar-97	3.40%	3.56% *
Apr-97	4.50%	3.73%
May-97	3.90%	3.79%
Jun-97	4.20%	3.81%

Rehab Mgmt Services Loan		
Month	End of Month Rate	6 Month Lagging Avg
Oct-96	8.25%	
Nov-96	8.25%	
Dec-96	8.25%	
Jan-97	8.25%	
Feb-97	8.25%	
Mar-97	8.25%	8.25% *
Apr-97	8.50%	8.29%
May-97	8.50%	8.33%
Jun-97	8.50%	8.38%

CL 020841

AGH OBLIGATED GROUP

20-Aug-97

MORGAN GUARANTY TRUST CO OF NY
[Series 1995-B Reimbursement & Security Agreement]

Financial Ratios

For the twelve months ended June 30, 1997
(\$'S IN THOUSANDS)

Covenant	Calculated Ratio
A. Liquidity Ratio Not less than 2:1 Calculation: $\frac{(\text{Current Assets} + \text{Board-designated Assets})}{\text{Current Liabilities}}$ $= \frac{(86,243 + 50,274)}{66,404}$	$= \frac{2.06}{CL}$
B. Total Indebtedness to Total Capitalization Not more than 63% Calculation: $\frac{(\text{Long-term Debt})}{[\text{Long-term Debt} + \text{Consolidated Unrestricted Fund Balances}]}$ $= \frac{(242,454)}{[242,454 + 192,233]}$	$= \frac{55.78\%}{CL}$
C. Debt Service Coverage Ratio Not less than 1.3:1 Calculation: $\frac{(\text{Excess Revenues Over Expenses} - \text{Gain on Sale/Leaseback} + \text{Dep. \& Amort.} + \text{I/T Int. Exp.})}{12\text{-month Projected Long-term Debt Service Requirement}}$ $= \frac{(11,843 - 538 + 30,873 + 12,975)}{22,066 [a]}$	$= \frac{2.50}{A}$
[a] Variable rate assumption: most recent 3-month average. Or, if not available, rate at inception.	
(A) C+L traced AND Agreed this Amt to the Support Schedule titled "12-month Projected LT Debt-Serv Requirement".	
D. Maintain a Consolidated Unrestricted Fund Balance of at Least \$160,000. Consolidated Unrestricted Fund Balance, at June 30, 1997	$= \$192,233$

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12-Month Projected Long-Term Debt Service Requirement
Period ending June 30, 1998

[MORGAN GUARANTY TRUST CO OF NY]

Series 1998:		Series 1993-A:	
Assumed interest rate:		Assumed interest rate:	
4.20% (see below)		5.91% (see below)	
Series 1995B:		Rehab Management Services Loan	
Assumed interest rate:		Assumed interest rate:	
4.18% (see below)		8.50% (see below)	
	<u>Jul-97</u>	<u>Aug-97</u>	<u>Sep-97</u>
1988 Bond			
Principal Interest	166,941	166,941	161,556
			166,941
			1,300,000
			150,786
1991 Bond			
Principal Interest	1,235,000		
	1,927,978		
			1,889,075
1993 Bond			
Principal Interest	1,488,580		
	1,080,539	131,735	127,486
		131,735	127,486
			1,521,774
			1,044,293
1995A Bond			
Principal Interest	1,000,000		
	1,454,066		
			1,430,316
1995B Bond			
Principal Interest	1,100,000		
	174,095	174,095	164,697
		170,187	170,187
			153,717
Capital Leases #8,#9,#10	24,246	24,246	24,246
		24,246	24,246
			24,246
Guarantee of Mellon Physician Loan	3,539	3,539	3,539
		3,539	3,539
			3,539
Guarantee of Northside Deposit Bank Rehab Mgmt Services Loan	2,518	2,506	2,493
			2,480
			2,467
			2,455
			2,442
			2,429

CL 020843

DRAFT

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DRAFT

Series 1988 Bonds			Series 1993-A Bonds		
Month	End of Month Rate	3 Month Average	End of Month Rate	3 Month Average	
Apr-97	4.50%		5.89%		
May-97	3.90%		5.89%		
Jun-97	4.20%	4.20%	5.94%		5.91%

Series 1995B Bonds			Rehab Management Services Loan		
Month	End of Month Rate	3 Month Average	End of Month Rate	3 Month Average	
Apr-97	4.50%		8.50%		
May-97	3.90%		8.50%		
Jun-97	4.15%	4.18%	8.50%		8.50%

CL 020844

AGH OBLIGATED GROUP
SERIES 1995-B REIMBURSEMENT & SECURITY AGREEMENT
ADJUSTED UNRESTRICTED FUND BALANCE ANALYSIS AS OF 6/30/97

19-Aug-97

AGH General Fund Balance before adjustments \$252,085,675.96 ✓

Less: (y) Equity Investments in & loans to Persons which
are not Subsidiaries:

Gateway Health Plan	\$7,020,170.00 ^A
Pyramid Network	955,000.00
SW Pa. Litho	37,781.00
Advacare	33,000.00
GRC/AGH Associates	116,819.90
Penn NY Financial Services	22,895.00
Life Home Health Services	584,771.00
Hospital Linen Service	366,209.13
Cranberry Township Property	858,961.94
Cranberry Physician Timeshare	1,077.96
HLSF Advances	<u>613,897.12</u>

DRAFT

^A C+L traced + agreed
this amt to Investments
w/o Exception

Total Equity Investments in Persons who are not Subsidiaries (10,610,583.05)

Less: (z) All Unamortized Debt Discount & Expense, Unamortized
Deferred Charges, Goodwill & Intangible Assets:

Bond Discount 1988A-D	\$420,000.00
Bond Discount Contra 1988A-D	(189,218.92)
Bond Discount 1991A-Current	48,956.40
Bond Discount 1995A-Current	28,729.34
Bond Discount 1991A-LTD	969,695.35
Bond Discount Contra 1991A	(391,216.77)
Bond Discount 1995A-LTD	487,514.40
Bond Discount Contra 1995A	(95,293.98)
Deferred Finance Costs 1988A-D	549,967.68
Deferred Finance Costs 1991A	1,512,703.59 ^B
Deferred Finance Costs 1993	398,394.85
Deferred Finance Costs 1995A	1,226,501.30 ^B
Deferred Finance Costs 1995B	485,257.18
Accumulated Amortizat-1988A-D	(172,003.86)
Accumulated Amortization-1991A	(368,721.37)
Accumulated Amortization-1993	(90,621.89)
Accumulated Amortization-1995A	(108,551.40)
Accumulated Amortization-1995B	(42,145.72)
Goodwill-Surg Center Acquisition	1,833,310.64
Accumulated Amortizat-Goodwill	(1,114,651.09)
AIHG Intangible Assets	45,352,516.91
Accumul Amortiz-AIHG Intangible	<u>(1,499,519.88)</u>

^B C+L traced + agreed
these Amts to the
T/B w/o Exception

✓ C+L traced + Agreed this
Amt to the Audited
F/S for 6/30/97 without
exception.

Total Unamortized Debt Discount, Deferred Finance Costs,
Unamortized Goodwill & Unamortized Intangible Assets (49,241,602.76)

Total AGH General Fund Balance after adjustments \$192,233,490.15

Required per the Amended Reimbursement & Security Agreement 160,000,000.00

Excess (Deficiency) \$32,233,490.15

CL 020845

**ALLEGHENY GENERAL HOSPITAL
FINANCIAL STATEMENTS
JUNE 30, 1997**

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ALLEGHENY GENERAL HOSPITAL**Index****June 30, 1997**

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ALLEGHENY GENERAL HOSPITAL
EXECUTIVE SUMMARY
 June 30, 1997

The financial statements of Allegheny General Hospital for the twelve months ended June 30, 1997 are presented herein. This executive summary sets forth some of the more significant financial and operating highlights for the period and provides a comparison with the FY 1997 budget and the FY 1996 actual results.

	CURRENT YEAR				PRIOR YEAR	
	ACTUAL		BUDGET		ACTUAL	
	Month Of June	Full Fiscal Year	Month Of June	Full Fiscal Year	Month Of June	Full Fiscal Year
FINANCIAL HIGHLIGHTS						
<i>(Dollars in thousands)</i>						
<i>Patient Service Revenue:</i>						
Inpatient	\$ 31,024	\$ 339,277	\$ 25,551	\$ 312,448	\$ 25,226	\$ 310,316
Outpatient	9,897	100,699	6,949	82,537	5,643	81,299
Physician services	82	1,112	76	914	681	2,946
	<u>41,003</u>	<u>441,088</u>	<u>32,576</u>	<u>395,899</u>	<u>31,550</u>	<u>394,561</u>
<i>Premium Revenue</i>	366	3,489	280	3,400	273	817
<i>Investment Income</i>	1,875	20,470	1,362	16,343	461	22,959
<i>Net assets released from restrictions used for operations</i>	34	1,081	92	1,122	5,525	6,838
<i>Other Revenue</i>	<u>627</u>	<u>11,703</u>	<u>745</u>	<u>8,760</u>	<u>2,205</u>	<u>21,352</u>
<i>Total Revenues, Gains and Other Support</i>	<u>43,905</u>	<u>477,831</u>	<u>35,055</u>	<u>425,524</u>	<u>40,014</u>	<u>446,527</u>
<i>Total Expenses</i>	<u>40,877</u>	<u>456,705</u>	<u>33,770</u>	<u>415,994</u>	<u>41,683</u>	<u>426,593</u>
<i>Net Income/(Loss) before AUHS - Allegheny campus operating support, Unusual Item and change in accounting principle</i>	<u>3,028</u>	<u>21,126</u>	<u>1,285</u>	<u>9,530</u>	<u>(1,669)</u>	<u>19,934</u>
<i>AUHS - Allegheny campus operating support</i>	(2,489)	(9,283)	(1,570)	(9,425)	0	0
<i>Unusual Items - reduction in workforce costs</i>	0	0	0	0	296	(3,149)
<i>Income from change in accounting principle</i>	0	0	0	0	0	3,716
<i>Net Income/(Loss)</i>	<u>\$ 539</u>	<u>\$ 11,843</u>	<u>\$ (285)</u>	<u>\$ 105</u>	<u>\$ (1,373)</u>	<u>\$ 20,501</u>
OPERATING INDICATORS						
<i>Total Margin (Exclusive of AUHS support and unusual items)</i>	6.90 %	4.42 %	3.67 %	2.24 %	(4.17) %	4.46 %
<i>Total Margin</i>	1.23 %	2.48 %	(0.81) %	0.02 %	(3.43) %	4.59 %
<i>Cost per Adjusted Discharge (Acuity Adjusted)</i>	N/A	\$ 5,548	N/A	\$ 5,710	N/A	\$ 5,896
<i>Salary Expense per Adjusted Discharge (Acuity Adjusted)</i>	N/A	\$ 2,085	N/A	\$ 2,128	N/A	\$ 2,447

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**ALLEGHENY GENERAL HOSPITAL
EXECUTIVE SUMMARY
June 30, 1997**

	CURRENT YEAR		BUDGET		PRIOR YEAR ACTUAL	
	Month Of June	Through June	Month Of June	Full Fiscal Year	Month Of June	Full Fiscal Year
OPERATING HIGHLIGHTS						
<i>Admissions:</i>						
Acute Care	2,690	31,233	2,544	29,869	2,562	29,074
Post-Acute Care	128	1,499	112	1,395	102	1,228
Total	2,818	32,732	2,656	31,264	2,664	30,302
<i>Discharges:</i>						
Acute Care	2,614	31,145	2,544	29,869	2,625	29,112
Post-Acute Care	127	1,489	112	1,395	109	1,245
Total	2,741	32,634	2,656	31,264	2,734	30,357
<i>Inpatient Days:</i>						
Acute Care	15,071	181,354	13,514	169,655	14,554	169,214
Post-Acute Care	1,821	21,440	1,994	25,110	1,495	21,449
Total	16,892	202,794	15,508	194,765	16,049	190,663
<i>Acuity Index</i>	1.80	1.80	1.70	1.70	1.70	1.71
<i>Average Length of Stay (discharge basis):</i>						
Acute Care	5.77	5.82	5.31	5.68	5.54	5.81
Post-Acute Care	14.34	14.40	17.80	18.00	13.72	17.23
Total	6.16	6.21	5.84	6.23	5.87	6.28
<i>Occupancy % (based on 520 Acute and 64 Post-Acute staffed beds):</i>						
Acute Care	96.6 %	95.6 %	86.6 %	89.4 %	93.3 %	88.9 %
Post-Acute Care	94.8	91.8	101.9	86.0	62.3	73.3
Total	96.4 %	95.1 %	88.5 %	88.9 %	89.2 %	86.8 %

ALLEGHENY GENERAL HOSPITAL
BALANCE SHEETS
June 30, 1997
(Dollars in thousands)

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	June 30, 1997	June 30, 1996		June 30, 1997	June 30, 1996
ASSETS			LIABILITIES AND NET ASSETS		
Current:			Current:		
Cash and short-term investments	\$7,863	\$8,192	Accounts payable	\$37,860	\$33,681
Assets limited as to use	4,643	3,957	Accrued expenses	20,977	17,087
Receivables:			Current portion of long-term debt	7,567	7,023
Patient accounts, less an allowance					
for doubtful accounts of \$9,567 at					
June 30, 1997 and \$12,576 at June 30, 1996	54,158	50,035			
Other	7,593	2,351			
Inventories	10,737	10,047			
Prepaid expenses	1,249	833			
Total current assets	86,243	75,415	Total current liabilities	66,404	57,791
Assets limited or restricted as to use:					
Unrestricted:			Long-term debt	242,454	257,521
By board of trustees, including			Deferred revenue	15,587	0
unrealized appreciation of \$2,300	50,274	151,298	Other noncurrent liabilities	604	784
Under indenture - held by trustee	4	12,336			
Endowments, including	1,957	1,908			
unrealized appreciation of \$501					
Temporarily restricted by donor, including					
unrealized appreciation of \$347	3,286	2,315			
Permanently restricted endowments	3,079	1,584			
			Net assets:		
	58,600	169,421	Unrestricted	252,086	209,647
			Restricted - Temporarily	3,576	2,315
			Permanently	7,529	1,564
Property and equipment, net	231,588	235,252			
Due from affiliates	143,714	25,128			
Other assets	68,095	24,406			
Total assets	\$588,240	\$529,622	Total liabilities and net assets	\$588,240	\$529,622

CL 020850

ALLEGHENY GENERAL HOSPITAL
STATEMENTS OF OPERATIONS
for the twelve months ended June 30, 1997
(Dollars in thousands)

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	CURRENT MONTH			CURRENT YEAR TO DATE			PRIOR YEAR	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	
Unrestricted revenues, gains and other support:								
Inpatient	\$31,024	\$25,551	\$5,473	\$339,277	\$312,448	\$26,829	\$310,316	
Outpatient	9,897	6,949	2,948	100,699	82,537	18,162	81,299	
Physician services	82	76	6	1,112	914	198	2,946	
Premium revenue	366	280	86	3,489	3,400	89	817	
Investment income	1,875	1,362	513	20,470	16,343	4,127	22,959	
Net assets released from restrictions used for operations	34	92	(58)	1,081	1,122	(41)	6,838	
Other	627	745	(118)	11,703	8,760	2,943	21,352	
Total revenues, gains and other support	43,905	35,055	8,850	477,831	425,524	52,307	446,527	
Expenses:								
Salaries, wages, and fees	13,784	11,891	(1,893)	160,244	144,393	(15,851)	161,235	
Fringe benefits	3,320	2,762	(558)	37,148	33,341	(3,807)	34,574	
Patient care supplies	6,837	5,240	(1,597)	76,993	63,224	(13,769)	65,566	
Purchased services	10,000	7,641	(2,359)	106,702	98,967	(7,735)	83,951	
Administrative and general	2,993	2,590	(403)	31,770	32,148	378	36,115	
Depreciation and amortization	3,704	2,470	(1,234)	30,873	28,637	(1,236)	31,233	
Interest	239	1,176	937	12,975	14,284	1,309	13,919	
Total expenses	40,877	33,770	(7,107)	456,705	415,994	(40,711)	426,593	
Net income before AUHS - Allegheny campus operating support, unusual item and change in accounting principle	3,028	1,285	1,743	21,126	9,530	11,596	19,934	
AUHS - Allegheny campus operating support	(2,489)	(1,570)	(919)	(9,283)	(9,425)	142	0	
Unusual item - reduction in workforce cost	0	0	0	0	0	0	(3,149)	
Income from change in accounting principle	0	0	0	0	0	0	3,716	
Net income	\$539	(\$285)	\$824	\$11,843	\$105	\$11,738	\$20,501	

CL 020851

ALLEGHENY GENERAL HOSPITAL
STATEMENT OF CHANGES IN NET ASSETS
for the twelve months ended June 30, 1997
(Dollars in thousands)

Page 5

Unrestricted net assets:	
Net income	\$ 11,843
Transfers to affiliates - AHERF:	
for AIHG support:	
Capital	(6,308)
Operating	(10,981)
PGMA purchase	(18,000)
for AHSPIC support	(552)
for AUHS support	(7,369)
for ASRI support	(94)
Transfers of property and equipment from affiliates:	
from AHERF	13,800
from AIHG	17,271
Transfers of other assets from AIHG	43,853
Unrealized depreciation of investments	(1,191)
Net assets released from restrictions used for acquisition of property and equipment	167
Increase in unrestricted net assets	42,439
Temporarily restricted net assets:	
Contributions	1,506
Investment income	1,048
Transfers to affiliates, net	(310)
Net assets released from restrictions	(1,248)
Unrealized appreciation of investments	265
Increase in temporarily restricted net assets	1,261
Permanently restricted net assets:	
Contributions	5,965
Increase in permanently restricted net assets	5,965
Increase in net assets	49,665
Net assets, June 30, 1996	213,526
Net assets, June 30, 1997	\$ 263,191

CL 020852

ALLEGHENY GENERAL HOSPITAL
STATEMENT OF CASH FLOWS
for the twelve months ended June 30, 1997
(Dollars in thousands)

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Cash flows from operating activities:		
Net income	\$11,843	
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	30,873	
Amortization of bond discount	79	
Amortization of deferred revenue	(538)	
Income from equity investments	(1,030)	
Increase/(decrease) in cash and short-term investments from changes in:		
Patient accounts receivable	(4,123)	
Other current assets	(6,348)	
Accounts payable and accrued expenses	8,069	
Other	4,739	
Net cash provided by operating activities		43,564
Cash flows from investing activities:		
Acquisition of property and equipment, net	(12,911)	
Proceeds from sale of East Wing building and parking garages	33,290	
Proceeds from ground lease	790	
Decrease in assets limited or restricted as to use	111,430	
Net cash provided by investing activities		132,599
Cash flows from financing activities:		
Repayment of long-term debt	(14,602)	
Net receivable from affiliates	(118,586)	
Net transfers to affiliates	(43,304)	
Net cash used by financing activities		(176,492)
Net decrease in cash and short-term investments		(329)
Cash and short-term investments at beginning of year		8,192
Cash and short-term investments at June 30, 1997		\$7,863

CL 020853

**ALLEGHENY GENERAL HOSPITAL
COMPARATIVE FINANCIAL RATIO ANALYSIS**

June 30, 1997

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	COMPARED TO		12 Months 06/30/97	12 Months 6/30/96	HCIA	
	Range				Median	
<u>Liquidity Ratios</u>						
Current			2.1	3.9	1.5 - 3.8	2.4
Days in Patient Accounts Receivable			48	53	55.7 - 83.1	67.7
Days Cash (including funded depreciation) on hand			49.8	147.6	22.8 - 137.5	60.7
<u>Profitability Ratios</u>						
Total Margin (Exclusive of AUHS support and unusual items)		4.42 %		4.46 %	1.0% - 6.5%	3.3%
Total Margin		2.48 %		4.59 %	2.3% - 8.1%	4.6%
<u>Capital Structure Ratios</u>						
Debt Service Coverage		2.7		3.1	2.4 - 8.6	4.2
Long-Term Debt to Capitalization		0.51		0.55	0.28 - 0.58	0.42
Long-Term Debt to Total Assets		0.45		0.49	0.24 - 0.47	0.35

The comparative ratios were obtained from Health Care Investment Analysts and are calculated from Medicare cost reports filed in calendar year 1995. Range shown is 25th to 75th quartile of 274 major teaching hospitals.

**ALLEGHENY GENERAL HOSPITAL
BALANCE SHEET TREND ANALYSIS**

FY 1997

(Dollars in thousands)

	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
Current:													
Cash and short-term investments	\$6,192	\$7,543	\$8,022	\$7,563	\$7,806	\$7,778	\$7,270	\$8,207	\$8,273	\$8,344	\$8,089	\$8,038	\$7,863
Assets limited as to use	3,957	1,918	8,726	2,420	2,892	2,951	3,210	2,119	2,381	2,839	2,904	3,188	4,643
Patient accounts receivables, net	50,035	54,224	54,132	61,913	59,543	58,637	54,606	55,431	53,887	55,088	56,284	55,474	54,158
Other receivables	2,351	1,605	1,612	1,853	1,684	1,585	2,258	2,182	2,424	2,387	2,023	2,023	7,593
Inventories	10,047	10,198	10,237	10,849	11,076	10,901	10,978	10,680	10,585	10,487	10,285	10,078	10,737
Prepaid expenses	833	770	784	774	735	2,423	2,216	1,427	833	1,335	904	598	1,249
Total current assets	75,415	78,258	83,513	85,372	83,638	84,255	80,536	80,026	78,383	80,250	80,478	79,377	86,243
Assets limited or restricted as to use:													
Unrestricted:													
By board of trustees	151,288	169,831	185,598	148,978	159,088	178,493	179,824	134,284	134,778	144,881	102,581	79,781	50,274
Under indenture - held by trustee	12,336	8,415	8,445	3,171	15,192	15,192	15,211	15,249	16,590	0	14	14	4
Endowments	1,908	1,908	1,908	1,908	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957
Temporarily restricted by donor	2,315	2,350	2,359	2,309	2,222	2,286	2,328	2,232	2,220	2,188	2,357	2,414	3,286
Permanently restricted endowments	1,564	1,564	1,564	1,564	1,793	1,793	1,943	2,068	2,068	3,079	3,079	3,079	3,079
Total assets	169,421	184,168	179,874	181,205	189,231	197,721	201,261	155,800	157,813	151,893	109,868	87,225	58,600
Property and equipment, net	235,252	233,815	231,889	230,288	229,855	212,833	211,168	207,873	208,718	214,980	213,537	211,990	231,588
Due from affiliates	25,128	0	0	0	0	0	0	45,718	41,058	51,314	78,053	99,280	143,714
Other assets	24,408	25,321	25,488	25,551	25,710	26,158	26,407	26,902	26,881	26,860	26,789	24,445	68,095
Total liabilities	\$529,822	\$519,360	\$520,762	\$502,424	\$507,232	\$520,785	\$519,372	\$518,117	\$511,443	\$525,297	\$508,836	\$502,317	\$588,240
Current:													
Accounts payable	\$33,681	\$27,744	\$28,040	\$24,172	\$26,234	\$24,178	\$27,807	\$27,730	\$29,235	\$28,821	\$29,125	\$31,686	\$37,860
Accrued expenses	17,087	16,587	18,818	16,952	18,550	16,943	16,856	18,603	16,307	18,905	20,501	16,935	20,977
Current portion of long-term debt	7,023	7,188	7,186	7,270	7,260	7,402	7,401	7,587	7,587	7,587	7,587	7,587	7,587
Total current liabilities	57,791	51,497	54,044	48,394	53,044	48,524	52,064	53,900	53,109	53,293	57,193	56,189	66,404
Long-term debt	257,521	258,039	258,046	245,217	245,224	245,230	245,237	243,721	243,728	242,434	242,441	242,447	242,454
Deferred revenue	0	0	0	0	0	18,900	16,808	16,735	16,865	18,594	16,523	16,453	15,587
Other noncurrent liabilities	784	768	726	711	721	705	680	674	658	642	626	609	604
Net Assets:	316,096	308,304	310,816	284,322	298,989	311,359	314,797	315,030	314,160	312,863	318,783	315,708	325,049
Unrestricted	208,647	207,142	208,023	204,228	204,228	205,327	200,306	196,787	192,895	207,088	186,617	181,116	252,086
Restricted - Temporarily	2,315	2,350	2,359	2,309	2,222	2,286	2,326	2,232	2,220	2,166	2,357	2,414	3,576
- Permanently	1,564	1,584	1,584	1,584	1,793	1,793	1,943	2,068	2,068	3,079	3,079	3,079	7,529
Total net assets	213,526	211,056	209,946	208,102	208,243	209,408	204,575	201,087	197,283	212,334	192,053	186,609	263,191
Total liabilities and net assets	\$529,822	\$519,360	\$520,762	\$502,424	\$507,232	\$520,785	\$519,372	\$518,117	\$511,443	\$525,297	\$508,836	\$502,317	\$588,240

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	CURRENT YEAR ACTUAL													
	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL	
Unrestricted revenues, gains and other support:														
Inpatient	\$28,041	\$27,911	\$25,620	\$29,702	\$28,493	\$28,322	\$27,422	\$25,979	\$29,892	\$27,198	\$31,673	\$31,024	\$339,277	
Outpatient	7,718	8,182	8,117	8,239	8,207	7,949	7,734	8,307	8,180	9,407	8,782	9,897	100,699	
Physician services	89	96	91	116	89	60	104	94	79	163	49	82	1,112	
Premium revenue	272	272	271	271	271	271	309	302	292	318	278	368	3,489	
Investment income	1,069	1,797	751	1,030	1,577	2,885	1,158	1,198	2,837	3,308	1,409	1,875	20,470	
Net assets released from restrictions used for operations	187	54	132	358	(156)	248	216	138	(42)	43	(107)	34	1,081	
Other	845	857	970	991	1,135	1,120	1,171	1,049	1,030	1,044	1,084	627	11,703	
Total revenues, gains and other support	38,201	38,989	35,952	40,707	37,816	40,833	38,112	37,065	42,068	41,477	43,128	43,905	477,831	
Expenses:														
Salaries, wages, and fees	12,813	12,738	12,093	13,369	13,016	13,830	13,943	12,908	14,203	13,827	14,122	13,784	160,244	
Fringe benefits	2,839	2,829	2,770	2,848	2,814	2,850	2,919	3,614	3,734	3,289	3,322	3,320	37,148	
Patient care supplies	5,413	6,208	5,691	6,558	6,368	6,660	6,935	8,028	8,208	7,008	7,081	8,837	78,993	
Purchased services	8,818	9,127	9,115	8,545	8,141	11,074	9,474	7,849	8,148	9,278	9,135	10,000	108,702	
Administrative and general	2,705	2,820	2,739	2,873	2,377	2,865	2,518	3,295	2,075	2,062	2,848	2,993	31,770	
Depreciation and amortization	2,603	2,470	2,488	2,479	2,479	2,479	2,475	2,274	2,470	2,470	2,472	3,704	30,873	
Interest	1,170	1,228	1,151	1,149	1,148	1,171	1,144	1,094	1,108	1,164	1,213	239	12,975	
Total expenses	36,381	37,214	36,057	37,821	36,383	40,529	39,408	37,062	35,942	38,888	40,173	40,877	456,705	
Net Income/(loss) before AUHS - Allegheny campus operating support	1,840	1,755	(105)	2,886	1,253	104	(1,296)	3	6,126	2,579	2,953	3,028	21,126	
AUHS - Allegheny campus operating support	-	-	-	-	-	-	-	-	(2,888)	(727)	(3,179)	(2,489)	(9,283)	
Net Income/(loss)	\$1,840	\$1,755	(\$105)	\$2,886	\$1,253	\$104	(\$1,296)	\$3	\$3,238	\$1,852	(\$226)	\$539	\$11,843	

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	CURRENT YEAR BUDGET												TOTAL
	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL
Unrestricted revenues, gains and other support:													
Inpatient	\$25,510	\$25,410	\$24,104	\$26,138	\$25,916	\$24,678	\$26,231	\$25,725	\$26,547	\$26,915	\$27,725	\$25,551	\$312,448
Outpatient	6,074	6,995	6,400	7,174	6,703	6,187	7,032	7,133	6,760	7,469	7,841	8,949	82,537
Physician services	78	78	76	76	76	76	77	76	76	77	76	78	914
Premium revenue	289	289	279	289	279	288	290	261	288	279	289	280	3,400
Investment income	1,382	1,382	1,362	1,382	1,362	1,362	1,361	1,362	1,362	1,362	1,362	1,362	18,343
Net assets released from restrictions used for operations	98	95	92	95	92	96	95	86	96	92	95	92	1,122
Other	748	745	708	800	717	699	734	687	731	718	730	745	8,760
Total revenues, gains and other support	34,155	34,972	33,021	35,932	35,145	33,387	35,619	35,330	37,880	38,930	37,916	35,055	425,524
Expenses:													
Salaries, wages, and fees	12,217	12,227	11,831	12,240	11,848	12,208	12,328	11,147	12,332	11,924	12,202	11,891	144,393
Fringe benefits	2,771	2,771	2,743	2,899	2,764	2,788	2,792	2,705	2,792	2,763	2,781	2,762	33,341
Patient care supplies	4,981	5,297	5,199	5,297	5,196	4,738	5,683	5,272	5,210	5,417	5,684	5,240	63,224
Purchased services	8,524	8,375	8,770	8,519	8,479	8,508	8,223	7,870	7,875	8,088	8,287	7,841	98,967
Administrative and general	2,822	2,871	2,804	2,893	2,801	2,839	2,704	2,820	2,720	2,790	2,694	2,590	32,148
Depreciation and amortization	2,470	2,470	2,470	2,470	2,470	2,470	2,467	2,470	2,470	2,470	2,470	2,470	29,637
Interest	1,207	1,207	1,188	1,204	1,189	1,204	1,195	1,156	1,191	1,178	1,191	1,176	14,284
Total expenses	35,002	35,016	34,805	35,322	34,545	34,555	35,392	33,040	34,590	34,638	35,319	33,770	415,994
Net income/(loss) before AUHS - Allegheny campus operating support	(847)	(46)	(1,784)	610	600	(1,186)	427	2,290	3,290	2,294	2,599	1,285	9,530
AUHS - Allegheny campus operating support	-	-	-	-	-	-	(1,571)	(1,571)	(1,571)	(1,571)	(1,571)	(1,570)	(9,425)
Net income/(loss)	(\$847)	(\$46)	(\$1,784)	\$610	\$600	(\$1,186)	\$1,444	\$719	\$1,719	\$723	\$1,028	(\$285)	\$105

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ALLEGHENY GENERAL HOSPITAL
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	PRIOR YEAR ACTUAL												
	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL
Unrestricted revenues, gains and other support:													
Inpatient	\$27,659	\$28,417	\$23,868	\$24,398	\$24,335	\$25,563	\$27,762	\$22,569	\$28,222	\$28,015	\$28,284	\$25,228	\$310,316
Outpatient	6,124	7,587	5,189	7,187	6,691	6,272	7,523	7,474	6,773	7,642	7,194	5,643	81,299
Physician services	148	193	(32)	89	(144)	497	706	(299)	131	486	490	681	2,946
Premium revenue	-	-	-	-	-	-	-	-	-	284	260	273	817
Investment income	1,420	1,204	1,587	1,698	1,852	2,454	1,458	5,531	3,183	1,315	780	461	22,959
Net assets released from restrictions used for operations	137	77	91	99	127	105	178	98	105	150	148	5,525	6,838
Other	387	880	1,447	2,190	1,020	1,258	662	1,102	7,462	1,334	1,407	2,205	21,352
Total revenues, gains and other support	35,875	38,358	32,160	35,657	33,881	38,147	38,287	38,475	45,878	37,228	38,571	40,014	448,527
Expenses:													
Salaries, wages, and fees	13,702	13,623	13,338	13,713	13,262	13,344	14,025	12,972	13,841	13,084	13,816	12,805	161,235
Fringe benefits	3,323	3,311	3,262	3,315	3,243	3,260	2,535	2,424	2,498	2,504	2,482	2,397	34,574
Patient care supplies	4,682	5,138	5,876	5,289	5,438	5,369	5,958	5,534	4,875	5,594	5,418	6,596	65,568
Purchased services	6,596	7,355	5,904	7,613	6,498	6,752	7,534	6,844	4,172	7,384	7,728	9,591	83,951
Administrative and general	2,930	3,448	1,811	2,883	3,027	3,789	3,112	1,331	3,611	2,615	3,208	4,470	36,115
Depreciation and amortization	2,351	2,352	2,351	2,352	2,351	2,345	2,352	2,352	2,341	2,341	2,341	5,404	31,233
Interest	1,225	1,272	1,264	1,254	1,255	1,321	1,201	1,146	1,203	1,186	1,282	320	13,919
Total expenses	34,809	36,499	33,426	36,519	35,074	36,159	36,717	32,603	32,341	34,708	36,055	41,683	426,593
Net income/(loss) before unusual item and change in accounting principle	1,066	1,859	(1,266)	(862)	(1,193)	(12)	1,570	3,872	13,535	2,518	516	(1,669)	19,934
Unusual items - reduction in workforce costs	-	-	-	-	-	-	-	-	(606)	(2,839)	-	296	(3,149)
Income from change in accounting principle	3,716	-	-	-	-	-	-	-	-	-	-	-	3,716
Net income/(loss)	\$4,782	\$1,859	(\$1,266)	(\$862)	(\$1,193)	(\$12)	\$1,570	\$3,872	\$12,929	(\$321)	\$516	(\$1,373)	\$20,501

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ACTIVITY TREND ANALYSIS
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	July	August	September	October	November	December	January	February	March	April	May	June	Total	% of Total
ADMISSIONS														
Actual:														
Acute:														
Blue Cross	764	799	693	795	696	743	843	785	824	859	805	855	8,451	30.26%
Medicare	953	882	804	920	771	912	835	804	844	874	853	856	10,288	32.94%
Medicaid	273	271	232	270	222	206	243	209	230	246	237	223	2,852	9.13%
Other	723	723	707	738	696	733	677	681	751	717	738	756	8,642	27.67%
Post-Acute:														
Blue Cross	12	12	10	15	15	17	14	14	22	20	19	24	194	12.94%
Medicare	74	73	81	88	82	84	87	76	86	75	85	74	965	64.38%
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	32	33	20	28	29	30	23	27	22	34	32	30	340	22.69%
Budget:	2,831	2,773	2,547	2,644	2,503	2,725	2,722	2,598	2,778	2,825	2,768	2,818	32,712	
Actual:														
Acute:														
Blue Cross	655	669	639	678	653	600	679	640	701	654	675	632	7,975	26.37%
Medicare	918	921	892	948	891	844	959	883	968	917	833	867	10,931	36.60%
Medicaid	243	257	243	258	246	219	249	240	244	228	237	221	2,893	9.65%
Other	622	625	573	582	691	665	655	681	728	746	790	824	8,180	27.39%
Post-Acute:														
Blue Cross	10	12	11	13	13	11	12	13	13	14	13	12	147	10.54%
Medicare	77	68	85	95	94	87	93	85	99	101	100	87	1,101	78.92%
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	10	12	11	13	13	12	12	12	13	13	13	13	147	10.54%
Budget:	2,535	2,584	2,454	2,581	2,381	2,438	2,658	2,564	2,784	2,611	2,781	2,658	31,264	
Actual:														
Acute:														
Blue Cross	620	604	586	579	658	613	733	684	719	753	740	753	8,042	27.66%
Medicare	881	849	810	923	867	830	954	778	850	937	907	849	10,473	36.02%
Medicaid	313	291	291	278	223	218	284	250	238	269	257	232	3,165	10.89%
Other	584	646	592	608	679	530	625	568	615	635	686	728	7,394	25.43%
Post-Acute:														
Blue Cross	10	11	14	9	8	10	14	10	7	10	12	15	130	10.59%
Medicare	72	62	69	78	85	57	76	73	75	75	78	68	868	70.52%
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	13	32	22	21	18	11	19	19	23	13	20	21	232	18.89%
Budget:	2,483	2,518	2,383	2,493	2,438	2,268	2,705	2,378	2,565	2,682	2,702	2,664	30,302	
Variance (Ad vs. Bud):														
Acute:														
Blue Cross	109	130	54	117	33	143	164	145	123	205	130	223	1,578	
Medicare	35	(59)	(86)	(28)	(110)	68	(124)	(79)	(124)	(43)	(80)	(11)	(643)	
Medicaid	30	14	(11)	2	(24)	68	(6)	(31)	(14)	(29)	(52)	2	(31)	
Other	101	98	134	156	7	68	22	25	25	(28)	(68)	(68)	462	
Post-Acute:														
Blue Cross	2	(15)	(11)	2	2	6	2	1	9	6	6	12	47	
Medicare	(3)	(4)	(4)	(7)	(12)	(3)	(6)	(19)	(13)	(26)	(15)	(13)	(136)	
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	22	21	9	15	16	18	11	15	9	21	19	17	193	
Budget:	268	188	83	257	(88)	281	63	32	15	154	8	162	1,468	
Variance (Ad vs. PY):														
Acute:														
Blue Cross	144	195	107	216	28	130	110	101	105	108	65	102	1,409	
Medicare	72	13	(6)	(3)	(98)	82	(119)	28	(46)	(83)	(54)	7	(185)	
Medicaid	(40)	(43)	(59)	(18)	(11)	(12)	(41)	(41)	136	82	50	(9)	(313)	
Other	139	77	115	132	119	203	52	115	136	82	50	28	1,248	
Post-Acute:														
Blue Cross	2	1	(4)	8	7	7	11	4	15	10	7	9	64	
Medicare	2	11	12	10	(3)	27	11	3	11	11	7	8	99	
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	19	1	(2)	7	11	19	4	6	(1)	21	12	9	106	
Budget:	358	255	163	350	65	456	17	218	214	133	67	154	2,430	

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	July	August	September	October	November	December	January	February	March	April	May	June	Total	% of Total
DISCHARGES														
Actual:														
Acute:														
Blue Cross	738	803	712	758	725	737	807	797	836	838	827	833	9,411	30.22%
Medicare	881	917	795	864	837	847	876	783	853	877	860	834	10,274	32.99%
Medicaid	271	285	247	248	243	215	230	218	247	232	257	223	2,898	9.30%
Other	689	754	682	725	720	718	665	680	744	714	749	724	8,564	27.50%
Post-Acute:														
Blue Cross	13	13	12	13	15	18	11	11	28	20	17	23	192	12.89%
Medicare	71	68	72	86	87	79	85	72	92	78	82	78	982	64.61%
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	28	32	28	31	25	30	15	31	29	35	28	25	335	22.50%
Budget:	2,689	2,853	2,548	2,745	2,692	2,844	2,688	2,592	2,827	2,784	2,850	2,741	32,834	
Acute:														
Blue Cross	655	689	639	678	653	600	678	640	701	654	675	632	7,875	28.37%
Medicare	918	921	892	948	881	844	859	893	968	917	933	867	10,831	36.60%
Medicaid	243	257	243	258	248	219	249	240	244	228	237	221	2,883	9.65%
Other	622	625	573	582	601	665	655	681	728	748	780	824	8,180	27.39%
Post-Acute:														
Blue Cross	10	12	11	13	13	11	12	13	13	14	13	12	147	10.54%
Medicare	77	86	85	95	94	87	93	95	99	101	100	87	1,101	78.92%
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	10	12	11	13	13	12	12	12	13	13	13	13	147	10.54%
Prior Year Actual:	2,535	2,584	2,454	2,587	2,581	2,438	2,658	2,564	2,764	2,671	2,781	2,656	31,264	
Acute:														
Blue Cross	615	595	601	571	631	653	698	665	748	748	730	787	8,040	27.62%
Medicare	883	828	825	817	847	878	878	825	895	945	945	867	10,502	36.07%
Medicaid	309	314	289	289	214	232	280	254	241	287	279	239	3,207	11.02%
Other	573	646	619	603	573	550	585	572	624	632	674	712	7,363	25.29%
Post-Acute:														
Blue Cross	14	6	12	10	14	8	9	15	6	8	12	15	131	10.52%
Medicare	78	69	71	66	85	68	68	71	83	76	78	71	882	70.84%
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	12	20	31	22	18	18	18	12	27	18	17	23	232	18.63%
Variance (Act vs. Bud):	2,484	2,478	2,448	2,478	2,382	2,405	2,545	2,415	2,624	2,690	2,675	2,734	30,357	
Acute:														
Blue Cross	83	134	73	80	72	137	128	157	135	184	152	201	1,536	
Medicare	(37)	(4)	(97)	(64)	(44)	3	(83)	(100)	(115)	(40)	(43)	(33)	(657)	
Medicaid	28	8	4	(10)	(3)	(4)	(19)	(22)	3	6	20	2	13	
Other	67	129	109	143	29	53	10	(1)	18	(32)	(41)	(100)	384	
Post-Acute:														
Blue Cross	3	1	1	-	2	7	(1)	(2)	13	6	4	11	45	
Medicare	(6)	(19)	(13)	(9)	3	(6)	(6)	(23)	(7)	(23)	(18)	(8)	(139)	
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	16	20	17	18	12	16	3	19	16	22	15	12	189	
Variance (Act vs. PY):	151	288	84	158	71	208	30	28	63	123	89	65	1,370	
Acute:														
Blue Cross	123	208	111	187	94	84	109	132	88	92	97	46	1,371	
Medicare	(2)	91	(30)	(33)	(10)	(31)	(11)	(42)	(42)	(68)	3	(53)	(228)	
Medicaid	(38)	(49)	(42)	(41)	29	(17)	(36)	(36)	6	(35)	(22)	(16)	(311)	
Other	116	108	63	122	147	168	80	108	120	82	75	12	1,201	
Post-Acute:														
Blue Cross	(1)	5	-	3	1	10	2	(4)	20	12	5	8	61	
Medicare	(7)	-	1	20	12	11	17	1	9	2	6	8	80	
Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	14	12	(3)	9	7	14	(3)	19	2	19	11	2	103	
	205	315	100	267	280	239	144	178	203	104	175	7	2,277	

CL 020860

**ALLEGHENY GENERAL HOSPITAL
ACTIVITY TREND ANALYSIS
FY 1997**

Schedule III
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INPATIENT DAYS		July	August	September	October	November	December	January	February	March	April	May	June	Total	% of Total
Actual:															
Acute:	Blue Cross	3,683	4,033	3,631	3,906	3,895	3,450	4,143	3,676	4,192	4,156	4,248	4,240	47,257	26.06%
	Medicare	6,800	6,311	6,872	6,667	5,963	6,907	6,756	5,964	6,530	6,110	6,201	5,942	75,565	41.87%
	Medicaid	1,602	1,662	1,571	1,571	1,446	1,266	1,367	1,416	1,387	1,414	1,192	1,133	17,234	9.60%
	Other	3,239	3,446	3,379	3,669	3,506	3,763	3,423	2,837	3,448	3,140	3,689	3,756	41,266	22.77%
Post-Acute:	Blue Cross	153	151	107	105	187	187	203	226	289	183	254	259	2,304	10.75%
	Medicare	1,139	1,226	1,263	1,367	1,235	1,069	1,461	1,234	1,330	1,141	1,057	1,136	14,702	66.57%
	Medicaid														
	Other	433	550	370	369	310	340	347	357	343	295	286	424	4,434	20.68%
		<u>17,049</u>	<u>17,301</u>	<u>16,226</u>	<u>17,676</u>	<u>16,466</u>	<u>16,864</u>	<u>17,972</u>	<u>15,432</u>	<u>17,520</u>	<u>16,439</u>	<u>16,837</u>	<u>16,862</u>	<u>202,784</u>	
Budget:															
Acute:	Blue Cross	3,118	3,185	3,046	3,232	3,112	2,856	3,234	3,052	3,341	3,115	3,214	3,011	37,518	22.11%
	Medicare	6,241	6,262	6,068	6,452	5,997	5,737	6,527	6,009	6,587	6,236	6,346	5,997	74,361	43.83%
	Medicaid	1,517	1,599	1,516	1,608	1,535	1,366	1,553	1,503	1,519	1,415	1,473	1,362	17,966	10.60%
	Other	3,342	3,367	3,256	3,420	3,262	3,026	3,423	3,199	3,494	3,302	3,433	3,224	39,790	23.45%
Post-Acute:	Blue Cross	186	210	200	229	228	210	221	229	236	243	240	210	2,642	10.57%
	Medicare	1,365	1,590	1,521	1,721	1,712	1,566	1,666	1,706	1,782	1,822	1,790	1,574	19,835	78.99%
	Medicaid														
	Other	181	214	204	229	228	207	222	225	237	242	236	210	2,633	10.48%
		<u>15,976</u>	<u>16,447</u>	<u>15,813</u>	<u>16,681</u>	<u>16,062</u>	<u>14,870</u>	<u>16,446</u>	<u>15,923</u>	<u>17,186</u>	<u>16,377</u>	<u>16,732</u>	<u>15,508</u>	<u>194,765</u>	
Prior Year Actual:															
Acute:	Blue Cross	3,002	3,155	3,035	2,932	3,060	3,120	3,701	3,481	3,611	3,579	3,706	3,637	40,221	23.77%
	Medicare	6,537	6,123	6,165	6,641	6,264	6,062	7,379	6,066	6,323	6,301	6,152	6,425	76,470	45.19%
	Medicaid	1,070	1,779	1,747	1,706	1,353	1,446	1,663	1,732	1,563	1,569	1,406	1,336	19,139	11.31%
	Other	2,617	2,940	2,860	2,845	2,467	2,346	2,837	2,613	2,659	2,518	2,904	2,956	33,304	19.73%
Post-Acute:	Blue Cross	180	151	159	199	161	122	175	211	139	237	258	202	2,194	10.23%
	Medicare	1,357	1,223	1,165	1,277	1,307	1,112	1,319	1,276	1,384	1,140	1,166	999	14,725	68.65%
	Medicaid														
	Other	343	602	541	464	466	282	309	282	399	225	283	294	4,530	21.17%
		<u>16,106</u>	<u>15,973</u>	<u>15,722</u>	<u>16,084</u>	<u>15,116</u>	<u>14,484</u>	<u>17,463</u>	<u>15,663</u>	<u>16,245</u>	<u>15,569</u>	<u>15,877</u>	<u>16,048</u>	<u>190,663</u>	
Variance (Act vs. Bud):															
Acute:	Blue Cross	565	848	595	676	783	592	909	626	851	1,041	1,034	1,229	9,739	
	Medicare	559	49	(196)	215	(114)	1,070	231	(325)	(57)	(128)	(145)	45	1,204	
	Medicaid	85	(17)	68	(37)	(97)	(96)	84	(87)	(132)	(1)	(281)	(249)	(752)	
	Other	(103)	59	121	248	228	737	-	(362)	(45)	(162)	256	532	1,506	
Post-Acute:	Blue Cross	(33)	(59)	(93)	(124)	(41)	(23)	(18)	(3)	53	(60)	14	49	(338)	
	Medicare	(248)	(362)	(236)	(334)	(477)	(487)	(205)	(472)	(452)	(681)	(733)	(436)	(5,133)	
	Medicaid														
	Other	252	336	166	140	84	133	125	132	106	53	60	214	1,801	
		<u>1,078</u>	<u>854</u>	<u>413</u>	<u>765</u>	<u>374</u>	<u>1,814</u>	<u>1,126</u>	<u>(481)</u>	<u>324</u>	<u>62</u>	<u>205</u>	<u>1,364</u>	<u>8,028</u>	
Variance (Act vs. PY):															
Acute:	Blue Cross	691	878	596	976	835	330	442	197	561	577	540	403	7,096	
	Medicare	263	186	(293)	26	(391)	745	(621)	(414)	207	(191)	49	(483)	(905)	
	Medicaid	(268)	(197)	(183)	(135)	95	(180)	(28)	(316)	(143)	(155)	(214)	(203)	(1,905)	
	Other	422	506	419	824	1,021	1,415	486	24	590	822	785	900	7,914	
Post-Acute:	Blue Cross	(27)	5	(52)	(94)	26	65	28	15	150	(54)	(4)	57	110	
	Medicare	(216)		116	110	(72)	(43)	142	(42)	(54)	1	(109)	139	(23)	
	Medicaid														
	Other	90	(52)	(171)	(115)	(176)	56	38	75	(56)	70	13	130	(96)	
		<u>943</u>	<u>1,328</u>	<u>464</u>	<u>1,592</u>	<u>1,346</u>	<u>2,390</u>	<u>489</u>	<u>(461)</u>	<u>1,275</u>	<u>870</u>	<u>1,060</u>	<u>843</u>	<u>12,131</u>	

CL 020861

ALLEGHENY GENERAL HOSPITAL
SCHEDULE OF EXPENSES
for the twelve months ended June 30, 1997
(Dollars in thousands)

Schedule IV
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CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
SALARIES, WAGES, & FEES							
\$12,124	\$10,326	(\$1,798)	\$130,246	\$125,271	(\$12,975)	\$135,835	
358	141	(217)	4,059	1,738	(2,321)	2,678	
81	39	(42)	444	491	47	413	
52	128	76	952	1,550	598	1,286	
341	291	(50)	4,081	3,627	(454)	3,801	
12,956	10,925	(2,031)	147,762	132,877	(15,085)	144,011	
439	832	393	9,981	10,115	134	12,982	
145	73	(72)	811	892	81	2,136	
244	81	(163)	1,690	709	(981)	2,126	
13,784	11,891	(1,893)	160,244	144,393	(15,851)	181,235	
FRINGE BENEFITS							
983	859	(124)	11,480	10,498	(982)	11,542	
2,337	1,903	(434)	25,688	22,843	(2,845)	23,032	
3,320	2,762	(558)	37,148	33,341	(3,807)	34,574	
PATIENT CARE SUPPLIES							
4,033	3,213	(820)	47,407	38,964	(8,443)	39,566	
188	31	(157)	1,232	1,049	(183)	1,379	
1,226	877	(349)	14,014	10,359	(3,655)	11,221	
221	176	(45)	2,365	2,132	(233)	2,408	
361	374	13	4,378	4,053	(325)	4,474	
518	362	(156)	4,752	4,169	(583)	4,036	
244	180	(64)	2,544	2,173	(371)	2,132	
46	27	(19)	303	325	22	350	
6,837	5,240	(1,597)	76,993	63,224	(13,769)	65,566	
PURCHASED SERVICES							
86	10	(76)	309	133	(176)	478	
118	41	(77)	897	537	(360)	1,313	
3,506	3,478	(28)	42,154	41,775	(379)	38,293	
(150)	(150)	0	(2,905)	(2,905)	0	(6,481)	
(987)	(987)	0	(10,764)	(10,764)	0	0	
2,519	1,872	(647)	29,877	29,056	(821)	16,321	
635	320	(315)	3,242	3,984	752	3,431	
440	258	(182)	4,821	3,140	(1,781)	3,239	
929	912	(17)	9,298	9,165	(133)	10,053	
344	700	356	9,226	8,519	(707)	8,009	
596	419	(177)	6,667	4,918	(1,749)	3,881	
1,964	970	(994)	13,760	11,399	(2,361)	7,416	
10,000	7,841	(2,359)	106,702	98,967	(7,735)	83,951	

CL 020862

ALLEGHENY GENERAL HOSPITAL
SCHEDULE OF EXPENSES

for the twelve months ended June 30, 1997
(Dollars in thousands)

Schedule IV
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CURRENT MONTH (cont.)			YEAR TO DATE (cont.)			PRIOR YEAR
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	
ADMINISTRATIVE AND GENERAL						
0	9	9	(37)	109	146	80
102	75	(27)	1,043	907	(136)	921
287	194	(93)	2,979	2,388	(591)	2,850
41	35	(6)	394	420	26	322
53	33	(20)	535	397	(138)	406
383	154	(228)	2,511	1,901	(610)	3,609
26	38	12	614	469	(145)	521
28	19	(7)	279	255	(24)	572
203	176	(27)	2,230	2,223	(7)	2,511
30	25	(5)	224	307	83	235
11	19	8	139	235	96	330
11	23	12	165	279	114	781
182	167	(15)	2,332	2,469	137	1,979
391	237	(154)	3,521	2,859	(662)	940
33	55	22	691	712	21	2,888
20	(12)	(32)	162	(122)	(284)	296
1,194	1,343	149	13,988	16,340	2,352	16,874
2,993	2,590	(403)	31,770	32,148	378	36,115
DEPRECIATION AND AMORTIZATION						
46	46	0	551	551	0	543
2,689	1,023	(1,666)	13,938	12,269	(1,669)	13,384
969	1,401	432	16,384	16,817	433	17,306
3,704	2,470	(1,234)	30,873	29,637	(1,236)	31,233
INTEREST EXPENSE						
146	160	14	1,673	1,983	310	1,822
325	321	(4)	3,918	3,893	(25)	3,990
288	264	(24)	3,492	3,188	(304)	3,722
399	393	(6)	4,668	4,754	86	4,738
(919)	38	957	(776)	466	1,242	(353)
239	1,176	937	12,975	14,284	1,309	13,919
\$40,877	\$33,770	(\$7,107)	\$456,705	\$415,994	(\$40,711)	\$426,593

CL 020863

ALLEGHENY GENERAL HOSPITAL
OPERATING EXPENSES TREND BY MONTH
 FY 1997
 (Dollars in thousands)

Schedule V
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	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL
SALARIES, WAGES, & FEES													
Salaries & Wages - Regular	\$10,965	\$10,948	\$10,352	\$11,532	\$11,301	\$11,767	\$11,932	\$11,134	\$12,291	\$11,762	\$12,140	\$12,124	\$138,246
Salaries & Wages - Overtime	370	359	316	378	358	328	280	300	343	341	328	358	4,059
Salaries & Wages - Holiday Premium	71	1	74	0	0	73	144	0	0	0	0	0	81
On Call/Call In	118	130	99	102	76	61	91	58	59	55	53	52	952
Shift Differential	336	334	324	343	338	338	350	319	358	338	344	341	4,061
Sub-Total	11,860	11,770	11,165	12,355	12,073	12,567	12,797	11,809	13,049	12,496	12,865	12,956	147,762
Professional Fees - Salary	855	820	805	884	803	848	842	823	1,002	819	1,041	439	9,881
Professional Fees - Nonsalary	48	59	71	53	64	68	53	51	53	76	70	145	811
Employee Services Purchased	50	87	52	77	78	147	251	225	99	236	146	244	1,690
Total	12,813	12,736	12,093	13,369	13,016	13,630	13,943	12,908	14,203	13,627	14,122	13,784	160,244
FRINGE BENEFITS													
FICA	935	924	885	944	909	944	1,020	911	1,024	976	1,025	983	11,460
Fringes - Allocated from AHERF	1,904	1,905	1,905	1,904	1,905	1,908	1,889	2,703	2,710	2,313	2,297	2,337	25,888
Total	2,839	2,829	2,770	2,848	2,814	2,850	2,919	3,614	3,734	3,289	3,322	3,320	37,148
PATIENT CARE SUPPLIES													
Medical & Surgical Supplies	3,154	3,676	3,451	4,198	4,116	4,020	4,293	3,928	3,928	4,388	4,222	4,033	47,407
Organ Procurement	60	98	139	103	58	83	170	87	28	65	155	188	1,232
Drugs	1,077	1,280	1,000	1,157	1,165	1,277	1,306	668	1,131	1,161	1,308	1,228	14,014
I.V. Solutions & Sets	185	202	199	192	204	188	209	182	201	178	208	221	2,385
Laboratory Supplies	214	304	315	429	325	412	395	357	372	530	362	361	4,378
Blood	457	384	362	328	278	421	345	352	360	460	487	518	4,752
Radiological Supplies	258	246	204	125	221	236	187	228	168	201	228	244	2,544
Oxygen & Gases	8	36	21	26	21	25	30	26	22	25	17	46	303
Total	5,413	6,206	5,691	6,558	6,388	6,660	6,935	6,028	6,208	7,008	7,061	6,837	76,993
PURCHASED SERVICES													
Recruitment Expense	29	21	12	24	6	7	71	2	26	17	8	86	309
Consulting Fees	32	28	33	50	40	25	44	214	184	91	30	118	897
Corporate Services	3,427	3,567	3,705	3,921	3,823	4,871	3,740	3,589	836	3,656	3,713	3,508	42,154
Indirect Allocation to Affiliates	(334)	(334)	(331)	(334)	(331)	(335)	(153)	(146)	(154)	(149)	(154)	(150)	(2,905)
Indirect Allocation to AUHS - PGH	0	0	0	0	0	0	(181)	(6,634)	(987)	(987)	(988)	(987)	(10,764)
Purchased AS&T - AUHS-PGH	2,426	1,925	1,833	455	1,690	2,395	1,947	7,412	2,510	2,462	2,283	2,519	29,877
Contract Maintenance	118	282	192	353	190	307	222	149	317	232	235	635	3,242
Repair Maintenance	184	362	694	328	386	495	643	140	545	365	319	440	4,921
Utilities	859	883	893	873	742	688	422	774	661	700	778	929	9,298
Equipment Rental	701	939	586	964	275	1,001	846	688	758	832	1,212	344	9,228
Property Expenses	410	358	447	613	443	613	684	686	649	681	1,212	596	6,667
Other Purchased Services	968	1,068	951	1,482	877	1,009	1,207	995	993	1,258	1,010	1,064	13,780
Total	8,818	9,127	9,115	8,545	8,141	11,074	9,474	7,849	6,146	9,278	9,135	10,000	106,702

CL 020864

ALLEGHENY GENERAL HOSPITAL
OPERATING EXPENSES TREND BY MONTH
 FY 1997
 (Dollars in thousands)

Schedule V
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	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL
ADMINISTRATIVE AND GENERAL													
Food & Dietary Supplies	75	95	3	4	3	(7)	(24)	2	4	5	(2)	0	(37)
Housekeeping Supplies	245	249	234	266	229	251	250	229	229	253	236	102	1,043
Laundry, Bedding, & Uniforms	23	33	31	31	35	32	31	34	28	28	43	287	2,979
Maintenance Supplies	36	38	47	44	44	32	63	32	32	43	61	41	394
Motor Vehicle Expense	238	155	200	308	102	155	122	256	242	164	166	363	2,511
Printing & Office Supplies	76	44	71	74	28	35	113	21	62	16	48	26	614
Affiliation Assessments	31	21	33	32	21	26	20	13	16	23	17	28	279
Publications & Subscriptions	124	89	120	177	201	116	144	212	223	365	254	203	2,230
Travel, Meetings, & Seminars	6	16	11	18	27	17	14	13	26	19	28	30	224
Nondepreciable Fixed Assets	7	4	3	8	4	3	1	35	36	9	18	11	139
Special Events	11	8	16	12	17	33	16	17	12	10	2	11	165
Postage	285	89	129	129	129	182	132	232	296	472	95	182	2,332
Taxes - Property & Other	224	223	249	219	232	204	231	387	392	395	374	391	3,521
Insurance	20	50	292	34	106	27	8	58	24	33	6	33	691
Advertising	8	2	13	8	6	(7)	31	9	24	15	32	20	182
Misc. Supplies & Expenses	1,292	1,502	1,203	1,417	1,140	1,517	1,253	1,665	298	111	1,395	1,194	13,986
Bad Debts													
Total	2,705	2,820	2,739	2,873	2,377	2,665	2,518	3,295	2,075	2,092	2,848	2,993	31,770
DEPRECIATION AND AMORTIZATION													
Amortization Expense	46	46	54	46	46	45	47	37	46	46	46	46	551
Depreciation - Buildings & Improvements	1,115	1,023	1,043	1,032	1,032	1,031	1,028	875	1,023	1,022	1,025	2,689	13,936
Depreciation - Major Mov Equip	1,442	1,401	1,401	1,401	1,401	1,403	1,400	1,382	1,401	1,402	1,401	969	16,384
Total	2,603	2,470	2,498	2,479	2,479	2,479	2,475	2,274	2,470	2,470	2,472	3,704	30,873
INTEREST EXPENSE													
1986 Revenue Bonds	122	151	130	139	139	150	138	121	120	147	170	146	1,673
1991 Revenue Bonds	332	331	325	325	325	326	326	327	325	326	325	325	3,918
1993 Revenue Bonds	287	296	292	295	291	298	289	274	289	289	284	288	3,492
1995 Revenue Bonds	374	408	376	386	387	394	388	369	389	399	421	399	4,668
Other	45	42	28	4	6	3	3	3	3	3	3	(919)	(776)
Total	1,170	1,228	1,151	1,149	1,148	1,171	1,144	1,094	1,106	1,164	1,213	239	12,975
TOTAL EXPENSES	\$36,361	\$37,214	\$36,057	\$37,821	\$36,363	\$40,529	\$39,408	\$37,062	\$35,942	\$38,898	\$40,173	\$40,877	\$456,705

CL 020865

ALLEGHENY GENERAL HOSPITAL
OPERATING EXPENSES TREND BY MONTH
 FY 1997
 (Dollars in thousands)

Schedule VI
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	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL
SALARIES, WAGES, & FEES													
Salaries & Wages - Regular	\$10,594	\$10,598	\$10,256	\$10,802	\$10,283	\$10,591	\$10,885	\$9,855	\$10,889	\$10,334	\$10,878	\$10,328	\$125,271
Salaries & Wages - Overtime	146	147	142	149	143	144	150	137	148	144	146	141	1,738
Salaries & Wages - Holiday Premium	41	42	40	42	41	40	42	39	42	41	42	39	491
On Call/Call In	131	128	131	127	131	132	132	120	132	128	133	128	1,550
Shift Differential	302	308	285	311	300	297	313	288	314	302	308	291	3,827
Sub-Total	11,214	11,224	10,859	11,235	10,874	11,203	11,322	10,239	11,328	10,849	11,307	10,925	132,877
Professional Fees - Salary	859	859	831	859	831	859	861	776	859	831	858	832	10,115
Professional Fees - Nonsalary	76	76	73	78	73	76	76	68	76	73	76	73	892
Employee Services Purchased	68	68	68	70	68	70	69	64	71	71	(39)	61	709
Total	12,217	12,227	11,831	12,240	11,846	12,208	12,328	11,147	12,332	11,924	12,202	11,891	144,393
FRINGE BENEFITS													
FICA	867	867	839	898	861	885	888	801	888	860	887	859	10,488
Fringes - Allocated from AHHS	1,904	1,904	1,804	1,803	1,803	1,803	1,804	1,804	1,804	1,803	1,804	1,803	22,843
Total	2,771	2,771	2,743	2,899	2,764	2,788	2,792	2,705	2,792	2,763	2,791	2,762	33,341
PATIENT CARE SUPPLIES													
Medical & Surgical Supplies	3,002	3,160	3,082	3,250	3,297	2,928	3,588	3,223	3,204	3,491	3,548	3,213	38,964
Organ Procurement	77	142	119	87	91	87	94	95	56	54	118	31	1,049
Drugs	847	864	861	864	803	761	898	890	878	851	927	877	10,359
I.V. Solutions & Sets	174	179	178	181	173	163	187	178	184	178	185	176	2,132
Laboratory Supplies	342	351	358	347	321	308	356	339	323	314	324	374	4,053
Blood	353	399	389	338	309	302	356	341	358	308	358	362	4,189
Radiological Supplies	169	175	169	182	176	164	196	183	181	196	202	180	2,173
Oxygen & Gases	27	27	27	28	28	27	28	25	28	27	28	27	325
Total	4,981	5,297	5,199	5,297	5,196	4,738	5,683	5,272	5,210	5,417	5,684	5,240	63,224
PURCHASED SERVICES													
Recruitment Expense	16	15	10	10	10	10	13	9	10	10	10	10	133
Consulting Fees	42	47	45	42	48	46	42	46	46	41	51	41	537
Corporate Services	3,489	3,489	3,478	3,489	3,478	3,489	3,486	3,451	3,489	3,478	3,489	3,476	41,775
Indirect Allocation to Affiliates	(334)	(334)	(331)	(334)	(331)	(334)	(155)	(145)	(153)	(150)	(154)	(150)	(2,905)
Indirect Allocation to AUHS - PGH	(808)	(808)	(808)	(807)	(808)	(807)	(984)	(986)	(988)	(987)	(988)	(987)	(10,764)
Purchased AS&T - AUHS-PGH	2,451	2,451	2,971	2,899	2,805	2,893	2,404	2,196	2,065	2,367	2,282	1,672	29,058
Contract Maintenance	408	333	316	342	322	328	336	304	329	320	334	320	3,994
Repair Maintenance	267	268	258	268	257	267	267	242	267	258	267	258	3,140
Utilities	952	883	786	736	679	698	728	652	667	683	603	912	9,165
Equipment Rental	725	722	699	724	701	726	723	653	723	700	723	700	8,519
Property Expenses	397	397	391	399	404	411	425	404	428	419	426	419	4,918
Other Purchased Services	919	912	945	953	918	983	940	844	994	979	1,044	970	11,399
Total	8,524	8,375	8,770	8,519	8,479	8,508	8,223	7,670	7,875	8,096	8,287	7,641	98,967

CL 020866

ALLEGHENY GENERAL HOSPITAL
OPERATING EXPENSES TREND BY MONTH
 FY 1997
 (Dollars in thousands)

Schedule VI
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	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL
ADMINISTRATIVE AND GENERAL													
Food & Dietary Supplies	9	9	9	9	9	11	9	8	9	9	9	9	109
Housekeeping Supplies	77	77	74	77	73	77	78	70	77	75	77	75	907
Laundry, Bedding, & Uniforms	205	188	192	208	196	194	208	187	205	200	203	194	2,388
Maintenance Supplies	36	36	34	36	34	36	35	32	36	35	35	35	420
Motor Vehicle Expense	34	34	33	34	33	34	31	30	34	33	34	33	397
Printing & Office Supplies	161	158	152	160	154	158	163	148	160	157	178	154	1,801
Amplification Assessments	39	36	41	39	38	40	42	36	39	39	39	38	469
Publications & Subscriptions	23	21	20	21	21	29	20	20	19	20	21	19	255
Travel, Meetings, & Seminars	177	187	190	208	177	182	181	171	206	208	184	178	2,223
Nondepreciable Fixed Assets	22	20	28	22	32	23	29	24	27	28	27	25	307
Special Events	20	20	19	20	19	(5)	17	18	48	20	22	19	235
Postage	24	24	23	24	23	24	22	21	24	23	24	23	279
Taxes - Property & Other	323	187	167	167	167	167	166	323	166	322	167	167	2,469
Insurance	239	236	238	239	239	238	239	237	236	238	239	237	2,859
Advertising	58	87	51	58	55	56	70	51	57	65	59	55	712
Misc. Supplies & Expenses	(13)	(12)	(10)	(13)	(12)	(13)	7	(7)	(13)	(12)	(12)	(12)	(122)
Bad Debts	1,388	1,388	1,343	1,388	1,343	1,388	1,387	1,254	1,388	1,342	1,388	1,343	16,340
Total	2,822	2,671	2,804	2,893	2,801	2,839	2,704	2,620	2,720	2,780	2,684	2,590	32,148
DEPRECIATION AND AMORTIZATION													
Amortization Expense	46	46	46	47	46	46	44	46	46	48	46	46	551
Depreciation - Buildings & Improvements	1,023	1,022	1,023	1,022	1,023	1,023	1,020	1,023	1,023	1,022	1,022	1,023	12,269
Depreciation - Major Mov Equip	1,401	1,402	1,401	1,401	1,401	1,401	1,403	1,401	1,401	1,402	1,402	1,401	16,817
Total	2,470	2,470	2,470	2,470	2,470	2,470	2,467	2,470	2,470	2,470	2,470	2,470	29,637
INTEREST EXPENSE													
1988 Revenue Bonds	170	170	165	170	165	170	170	153	165	160	165	160	1,983
1991 Revenue Bonds	327	327	327	327	327	327	323	322	321	322	322	321	3,893
1993 Revenue Bonds	269	269	265	269	266	269	263	257	267	264	268	264	3,188
1995 Revenue Bonds	401	401	393	398	393	398	400	388	398	393	398	393	4,754
Other	40	40	38	40	38	40	39	36	40	37	40	38	466
Total	1,207	1,207	1,188	1,204	1,189	1,204	1,195	1,158	1,191	1,176	1,191	1,176	14,284
TOTAL EXPENSES	\$35,002	\$35,018	\$34,805	\$35,322	\$34,545	\$34,555	\$35,392	\$33,040	\$34,590	\$34,636	\$35,319	\$33,770	\$415,994

CL 020867

ACH
COST PER ADJUSTED DISCHARGE (CPAD)

	ACTUAL FY 1997 (Cumulative Basis)											
	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD
Gross Patient Revenue	\$1,197,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000
Gross Inpatient Revenue	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000
Gross Patient Revenue *	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215
Gross Inpatient Revenue *	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215
Discharges	2,689	2,689	2,689	2,689	2,689	2,689	2,689	2,689	2,689	2,689	2,689	2,689
Adjusted Discharges	2,619	2,619	2,619	2,619	2,619	2,619	2,619	2,619	2,619	2,619	2,619	2,619
* Operating Expenses	33,930,000	33,930,000	33,930,000	33,930,000	33,930,000	33,930,000	33,930,000	33,930,000	33,930,000	33,930,000	33,930,000	33,930,000
Cost Per Adj. Discharge	\$9,931	\$9,931	\$9,931	\$9,931	\$9,931	\$9,931	\$9,931	\$9,931	\$9,931	\$9,931	\$9,931	\$9,931
Activity Index	1.76	1.75	1.76	1.76	1.76	1.76	1.76	1.76	1.76	1.76	1.76	1.76
Cost Per Adj. Discharge (Activity Adjusted)	\$5,637	\$5,545	\$5,411	\$5,602	\$5,103	\$5,633	\$5,633	\$5,633	\$5,633	\$5,633	\$5,633	\$5,633

BUDGET FY 1997 (Cumulative Basis)

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD	1997 YTD
Gross Patient Revenue	\$2,081,000	\$1,954,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000
Gross Inpatient Revenue	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000	\$2,081,000
Gross Patient Revenue *	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081
Gross Inpatient Revenue *	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081
Discharges	2,335	2,335	2,335	2,335	2,335	2,335	2,335	2,335	2,335	2,335	2,335	2,335
Adjusted Discharges	2,163	2,163	2,163	2,163	2,163	2,163	2,163	2,163	2,163	2,163	2,163	2,163
* Operating Expenses	32,386,000	32,386,000	32,386,000	32,386,000	32,386,000	32,386,000	32,386,000	32,386,000	32,386,000	32,386,000	32,386,000	32,386,000
Cost Per Adj. Discharge	\$10,302	\$10,302	\$10,302	\$10,302	\$10,302	\$10,302	\$10,302	\$10,302	\$10,302	\$10,302	\$10,302	\$10,302
Activity Index	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Cost Per Adj. Discharge (Activity Adjusted)	\$6,060	\$5,914	\$5,822	\$5,975	\$5,975	\$5,940	\$5,913	\$5,976	\$5,913	\$5,976	\$5,976	\$5,976

ACTUAL FY 1996 (Cumulative Basis)

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
	1996 YTD	1996 YTD	1996 YTD	1996 YTD	1996 YTD	1996 YTD	1996 YTD	1996 YTD	1996 YTD	1996 YTD	1996 YTD	1996 YTD
Gross Patient Revenue	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000
Gross Inpatient Revenue	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000	\$4,119,000
Gross Patient Revenue *	4,119	4,119	4,119	4,119	4,119	4,119	4,119	4,119	4,119	4,119	4,119	4,119
Gross Inpatient Revenue *	4,119	4,119	4,119	4,119	4,119	4,119	4,119	4,119	4,119	4,119	4,119	4,119
Discharges	2,484	2,484	2,484	2,484	2,484	2,484	2,484	2,484	2,484	2,484	2,484	2,484
Adjusted Discharges	2,077	2,077	2,077	2,077	2,077	2,077	2,077	2,077	2,077	2,077	2,077	2,077
* Operating Expenses	32,813,000	32,813,000	32,813,000	32,813,000	32,813,000	32,813,000	32,813,000	32,813,000	32,813,000	32,813,000	32,813,000	32,813,000
Cost Per Adj. Discharge	\$10,696	\$10,696	\$10,696	\$10,696	\$10,696	\$10,696	\$10,696	\$10,696	\$10,696	\$10,696	\$10,696	\$10,696
Activity Index	1.74	1.72	1.71	1.70	1.70	1.70	1.70	1.71	1.71	1.72	1.72	1.71
Cost Per Adj. Discharge (Activity Adjusted)	\$6,147	\$6,122	\$6,107	\$6,118	\$6,103	\$6,123	\$6,123	\$6,144	\$6,103	\$6,144	\$6,144	\$6,144

* Not of other operating revenue, physician services revenue, previous revenue, net assets released from restrictions used for operations, and an estimate income to the extent of interest expense

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